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ABSTRACT

This document reports the findings of the National Study of Local Operations under Chapter 2 of the Education Consoldation and Improvement Act of 1981 concerning the achievement of three of the goals set by federal statute for this educational block grant legislation. These goals are improving education for public school students and school districts, reduction of local administrative burden, and enhancement of local discretion. Data for the study were gathered by mail and telephone survey from a national sample of school districts, and through site visits to 24 districts. The report introduces the purpose of the national study, briefly describes the legislative goals reviewed, and touches on the study methodology. Individual chapters devoted to each of the three goals are then provided. A final chapter summarizes the findings and places them in the broader perspective of block grant implementation and effects. The study's essential findings were that the goals had been achieved, at least to some degree. Appendixes provide error values for the report's tables, a list of antecedent programs consolidated under Chapter 2, and the text of the Chapter 2 legislation. (PGD)

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LEGISLATIVE GOALS FOR THE EDUCATION BLOCK GRANT: HAVE THEY BEEN ACHIEVED AT THE LOCAL LEVEL?

A Special Issue Report from the National Study of Local Operations Under Chapter 2 of the Education Consolidation and Improvement Act

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January 1986

Michael S. Knapp, SRI International

Prepared for:

U.S. Department of Education,
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The conclusions of this report are those of the authors and contractors and do not necessarily reflect the views of the U.S. Department of Education or any other agency of the government.

Reports from the

National Study of Local Operations under Chapter 2

Michael S. Knapp Craig H. Blakely	The Education Block Grant at the Local Level: The Implementation of Chapter 2 of the Education Consolidation and Improvement Act in Districts and Schools
Michael S. Knapp	Legislative Goals for the Education Block Grant: Have They Been Achieved at the Local Level?
Richard Apling Christine L. Padilla	Funds Allocation and Expenditures Under the Education Block Grant
Rhonda Ann Cooperstein	Participation of Private School Students in Services Supported by the Education Block Grant
Craig H. Blakely Marian S. Stearns	Involvement of Parents and Citizens in Local Decisionmaking Under the Education Block Grant
Brenda J. Turnbull Ellen L. Marks	The Education Block Grant and Intergovernmental Relations: Effects at the Local Level
Elizabeth R. Reisner Michael S. Knapp	State and Local Evaluation Options Under the Federal Education Block Grant

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PREFACE

This document is one of a series of reports resulting from SRI's National Study of Local Operations Under Chapter 2 of the Education Consolidation and Improvement Act (ECIA). Chapter 2--the first federally supported education block grant--consolidated 32 former categorical programs into an annual grant of funds to all school districts, to be used for any of the purposes in the preceding programs. The block grant was implemented in school districts across the nation in the 1982-83 school year, following passage of ECIA in 1981.

In 1983, in response to numerous demands from the U.S. Congress, other federal agencies, and interest groups for information about the block grant's implementation and effects, and in anticipation of its own need to inform debate on reauthorization and appropriations, the U.S. Department of Education (ED) commissioned SRI International, in collaboration with Policy Studies Associates (PSA), to study Chapter 2. The 2-year investigation was to focus its data collection on the third year of implementation, the 1984-85 school year, although information was also to be gathered on the first 2 years of Chapter 2 and the year preceding it, the last in which programs consolidated into the block grant were operating.

The SRI study did not take place in a vacuum. For various reasons--among them, the newness of the block grant mechanism in federal education aid, the lack of a formal reporting route from the local to federal levels, the fact that shifting to a block grant format significantly redistributed funds--numerous smaller investigations were mounted by federal agencies (including ED), independent researchers, and others to examine Chapter 2's implementation. This research documented various effects of the block grant but left many questions unanswered about the first and second years of implementation and especially about the local level in longer-term perspective.

Building on the foundation laid down by these earlier studies, the SRI investigation had the following purposes:

1. Describe local activities and operations under Chapter 2 in the program's third year, noting changes over the first 3 years of the program and changes from antecedent programs.

2. Assess the achievement of federal legislative goals, in particular, educational improvement, reduction in administrative burden, and an increase in programmatic discretion at the local level.

3. Describe how the federal block grant mechanism (Chapter 2 funding, guidelines, and state actions or interpretations) influences LEA activities.

4. Determine how state and local education agencies evaluate their Chapter 2 programs and develop options so that the Department of Education can offer technical assistance.

5. Draw lessons from the implementation and effects of Chapter 2 for future federal policies.

To fulfill these purposes and obtain a comprehensive description of local activities and operations under Chapter 2, the study is organized around five major topics. Each of these represents a purpose of the law or a set of issues regarding the block grant mechanism.

- Education service delivery (concerning the nature of education services supported by Chapter 2 and their contribution to improvement of education).

- Funds allocation and expenditure (concerning the types of expenditures under Chapter 2 and the influences on local spending).

- Local program administration and decisionmaking (concerning the way in which Chapter 2 is administered and the effect on administration and paperwork burden; the nature of the decision process, the participation of parents or citizens, and implications for the exercise of local discretion; local evaluation activities).

- Services for private school students (concerning the allocation of Chapter 2 funds and the patterns of expenditures for services to private school students; the delivery of these services; the administration of these services).

- Intergovernmental relations (concerning the roles and interaction of local, state, and federal levels under Chapter 2).

The results of the study have been reported in three ways:

(1) A comprehensive report, emphasizing descriptive findings in all topic areas and summarizing the analyses in special issue reports.

(2) A series of shorter reports addressing five special issues: the achievement of legislative goals (the topic of this report), the allocation and expenditure of funds, services to private school students, the participation of parents and citizens in decisionmaking, and intergovernmental relations.

(3) An options paper for state and local audiences regarding ways to evaluate activities supported by the block grant.

Titles and authors of all these reports are listed on the back of the title page of this document.

Michael S. Knapp,
Project Director

December 1985

ACKNOWLEDGMENTS

A study of this magnitude represents the ideas, energy, and perseverance of many people. We wish to acknowledge their contributions and thank them for their willingness to help the study toward successful completion.

First, we owe much to the patience and support of various state Chapter 2 coordinators, who listened to plans for the study, made suggestions, and encouraged their districts to participate. Those who sat on the study's Advisory Panel--Weaver Rogers, Darrell Arnold, and Carolyn Skidmore--and the members of the State Chapter 2 Coordinators' Steering Committee (under the leadership of Wayne Largent and Dan Lewis) deserve mention.

The findings of our research synthesize the responses of many school and district staff, school board members, parents, and others at the local level. To all who took the time to respond to our questionnaires or answer interview questions, we owe the deepest gratitude--for taking the time to provide information that helps those at a greater distance understand what the block grant contributes to their school districts. Particular school district staff who advised us during the course of the study deserve special mention: Todd Endo, Gerald King, Alan Osterndorf, Thomas Rosica, and Ken Tyson.

Numerous national associations and interest groups have helped shape the plans for the study, critiqued draft reports, or both--among them Susan Hennessy, Council of Chief State School Officers (also members of its Committee for Evaluation and Information Systems); Claudia Mansfield, America Association of School Administrators; Marilyn Rauth, American Federation of Teachers; Robert Smith, American Council on Private Education; Joseph McElligott, California Catholic Conference; Michael Casserly, Council of the Great City Schools; Arnold Fege, National Parent Teachers Association; Warlene Gary, National Education Association; John Purcell, Claudia Waller, Roger Sharpe, and Ed Kealy, National School Boards Association; James Jess, Rural Education Association; and Anne Henderson, National Committee for Citizens in Education.

In the U.S. Department of Education, individuals in many parts of the agency took an interest in the study and helped focus its questions and approach to research. The Project Officer, Carol Chelemer of the Planning and Evaluation Service in the Office of Planning, Budget, and Evaluation, shepherded the investigation through its various stages with humor, insight, and unwavering support. We also appreciate the contributions of others in the Department, including: Janice Anderson, Charles Blum, Lois Bowman, Cecil Brown, Lawrence Davenport, Fred Graves, Linda Hall, Gary Hanna, Patricia Jones, Allen King, Stanley Kruger, Patsy Matthews, David Morgan, Kay Rigling, Robert Stonehill, Kenneth Terrell, and Zulla Toney.

In other federal agencies and the U.S. Congress, we found individuals who were insightful about what needed to be studied, how to gather the information, and the ways to present our findings. We wish especially to thank: Mary Kennedy, National Institute of Education; Paul Grishkat, David Bellis, and especially Frederick Mulhauser (who reviewed a draft of this report), U.S. General Accounting Office; Kathy Burchard, Barry White, Richard O'Brien, and Barbara Young, U.S. Office of Management and Budget; Dan Koretz, Congressional Budget Office; Jack Jennings, Marc Smolonsky, and Richard DiEugenio, congressional staff in the U.S. House of Representatives; Bruce Post and Ann Young, congressional staff in the U.S. Senate.

Colleagues in universities, research firms, and elsewhere contributed wide-ranging technical expertise to the various design and analysis issues confronting the study. In this regard, we are especially grateful to Fred Doolittle, who critiqued an earlier version of this report.

Finally, the dedication and professionalism of the entire study team were the key to making this research successful. Marian Stearns, Director of SRI's Social Sciences Department and Project Director during the study's design phase, deserves special mention for her unflagging enthusiasm and good sense about research on federal aid to education. Brenda Turnbull of Policy Studies Associates was also especially instrumental in bringing this report to conclusion, by providing constructive criticism and editorial advice. Others on the study team, besides the authors of other reports (see inside cover), includes these SRI staff: Linda Burr, Marion Collins, Carolyn Estey, Elaine Guagliardo, Mary Hancock, Deborah Jay, Ruth Krasnow, Klaus Krause, Lynn Newman, Ellen Renneker, Debra Richards, and Kathy Valdes. Other individuals, who worked as field staff, helped us gather useful interview information on numerous field visits: Brian Delaney, Peggy Estrada, Gene Franks, Susan Peters, and Steve Thornton.

To all these people, your contributions were much appreciated.

NOTES FOR READING TABLES

Tables in this report are generally broken out by district size category, because the enormously skewed distribution of districts nationwide may distort the reader's understanding of national estimates (the large number of small districts, for example, means that most overall estimates are largely a reflection of these). The breakout also enables the reader to appreciate the considerable differences in block grant impact and implementation in districts of different size.

Size categories also comprise differing proportions of the nation's student population. We indicate below the number and percent of districts falling in each size category, as well as the proportion of the nation's students represented.

Where relevant, the "very large" category has been further subdivided into urban districts and suburban county systems (which may include a moderate-sized city as well) because the characteristics and responses of these two types differ substantially.

Distict Size Category (Enrollment Range)	Number (and Percent) of Districts within Range	Proportion of Nation's Students
Very large (25,000 or greater)	163 (1.0%)	25.8%
Urban	92 (0.6%)	15.8
Suburban	71 (0.5%)	10.0
Large (10,000 to 24,999)	466 (3.0%)	17.3
Medium (2,500 to 9,999)	3,027 (19.5%)	35.1
Small (600 to 2,499)	5,369 (34.6%)	17.9
Very small (Less than 600)	6,508 (41.9%)	3.8
TOTAL	15,533 (100%)	100.0%

Wherever tables are presented without subdivision into these categories, the reader may assume that the differences among categories are statistically insignificant or irrelevant to the analysis in question.

To simplify presentation, tables do not include n's or standard errors. These and accompanying technical notes may be found in Appendix A.

I INTRODUCTION

In this document, we give the education block grant, Chapter 2 of the Education Consolidation and Improvement Act of 1981 (ECIA), a report card regarding the achievement of its goals as set forth in federal statutes. We concentrate on three goals:

- Educational improvement for public school students and school districts.
- Reduction of local administrative burden.
- Enhancement of local discretion.

These goals are related to several other more specific ones: the equitable participation of private school students (ECIA requires funds to be used for the improvement of education received by both public and private students) and the involvement of parents in the decisionmaking process (which broadens the base of discretion). Because these two goals are the subjects of two other special issue reports from the National Study, we do not comment on them here (see Cooperstein, 1986; Blakely and Stearns, 1986).

Together, the three broad goals outline the "theory" of the block grant. By simplifying local administration of Chapter 2, the law intends to increase the time and energy available for instruction. By maximizing local discretion, the block grant vehicle encourages responsiveness to local needs and, presumably, educational activities that are more likely to improve instruction in ways that most closely fit the unique circumstances of each district. By providing funds for broadly authorized purposes under the rubric of "educational improvement," the block grant offers districts the means to attend to any aspect of their instructional program needing supplementary assistance. Our investigation of the three broad goals enables us to "test" whether each of these intentions are realized and, consequently, whether the block grant as a whole appears to be working, as of the third year of its implementation.

This report concentrates on federal goals and their achievement at the local level. There are other important bases for analyzing the effects or effectiveness of Chapter 2--for example, local goals for programs supported by block grant funds or the benefits received by various types of districts and students. But the goals established in federal legislation set the tone for what occurs under the block grant. The goals, in turn, influence the way ED develops regulations (and "nonregulatory guidance") and the way state governments interpret their responsibilities as they implement Chapter 2.

Interpreting Federal Intentions

There is a degree of ambiguity in all federal laws authorizing programs in education, but this is especially true of Chapter 2. Because it is not really a "program" targeted on a particular beneficiary group or instructional purpose but rather a broad-aim funding vehicle that can support a range of activities, the block grant's "goals" are not easily defined, nor are they easy to measure once stated. But, however one reads the legislation (see Appendix C), three kinds of intentions--educational, administrative, and intergovernmental--emerge. We discuss here the sections of the statute that pertain to each of these areas.

Educational Purposes

The educational mission of the block grant is especially broad. The funds appropriated under this law are to:

> financially assist State and local educational agencies to improve elementary and secondary education (including preschool education) for children attending public and private schools.... [Sec. 561(a)]

The law further defines its educational goals in terms of the authorized purposes included in the numerous programs consolidated into the block grant, hereafter referred to as the "antecedent programs" (see Appendix B for a listing of these programs and their authorized purposes). Under Chapter 2, these antecedent authorizations become

> a single authorization of grants to States for the same purposes set forth in the provisions of law specified [in each authorization], but to be used in accordance with the educational needs and priorities of State and local educational agencies as determined by such agencies. [Sec. 561(a)]

The statute organizes these authorizations into three subchapters. The first is aimed at basic skills improvement activities (incorporating the former Title II of the Elementary and Secondary Education Act [ESEA], the Basic Skills Improvement program). The second is aimed at "educational improvement and support" activities, teacher training, and desegregation assistance (incorporating Titles IV-B, IV-C, II, and VI of ESEA and the Emergency School Aid Act [ESAA]; the Teacher Corps and Teacher Centers programs authorized by the Higher Education Act; and the Precollege Science Teacher Training provision of the National Science Foundation Act). The third is aimed at a collection of specific curricular and other special project areas (incorporating programs authorized under Titles III, VIII, and IX of ESEA; the Career Education Incentive Act; and the Alcohol and Drug Abuse Act). The three subchapters of Chapter 2 represent a convenient grouping of disparate program goals rather than coherent purposes in and of themselves.

The resulting array of educational purposes to which districts may allocate block grant funds is exceedingly broad. We summarize these purposes in Table I-1 by subchapter. In practical terms, almost anything a school district might wish to do could fall within these purposes, provided that the activity did not supplant local funding or violate the other fiscal provisions of Chapter 2.

Table I-1

AUTHORIZED PURPOSES FOR WHICH BLOCK GRANT FUNDS MAY BE USED, BY SUBCHAPTER

(A Summary of Sections 573, 577, and 582 of the Federal Statute)

Subchapter A

- Diagnostic assessment to identify the needs of all children in the school
- Establishment of learning objectives for children and for the school
- Preservice and inservice training programs and staff development to improve instruction in the basic skills
- Activities to enlist the support and participation of parents to aid in the instruction of their children
- Procedures for testing students and for evaluating the effectiveness of programs
- Areawide or districtwide activities such as learning centers accessible to students and parents
- Areawide or districtwide demonstration and training programs for parents
- Activities designed to promote more effective instruction in the basic skills

Subchapter B

- Acquisition and utilization of school library resources, textbooks, and other printed and published instructional materials (for instructional purposes only)
- Acquisition and utilization of instructional equipment and materials (for instructional purposes only)
- Development of programs designed to improve local educational practices
- Programs to address educational problems caused by the isolation or concentration of minority group children in certain schools (not including transportation to or from these schools)
- Comprehensive guidance, counseling, and testing programs; support services necessary to implement and evaluate these programs
- Programs or projects to improve the planning, management, and implementation of educational programs, including fiscal management
- Programs or projects to assist in teacher training and inservice staff development in all areas
- Programs or projects to assist in development and implementation of desegregation plans and related projects to meet the needs of students in schools

Subchapter C

- Special projects in areas such as:
  - Metric education projects
  - Inschool partnership programs involving parents in the education of their children
  - Consumer education
  - Preparation for employment; career education
  - Environmental and health education
  - Law-related education
  - Education about population, population changes
  - Introduction to careers in biomedical and medical sciences
- Use of public education facilities as community centers to provide educational, recreational, health care, cultural, and other related community and human services
- Special programs to identify, encourage, and meet the special educational needs of gifted children
- Establishment of educational proficiency standards; testing to measure proficiency; implementation of programs to improve proficiency
- Programs to promote school safety and reduce crime and vandalism in the school environment
- Ethnic heritage programs
- Civil-rights-related training and advisory services
- Additional special programs not included above

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Given this range of uses, does it even make sense to talk of the "educational purposes" of the block grant? We believe it does for several reasons. First, Chapter 2--and all programs subsumed within it--is designed to enhance some aspect of the local educational program, typically by introducing new materials or curricula or by developing the qualifications of staff. Second, whatever the phrase means in operational terms, the improvement of education has become a focus of public attention and will likely remain so for some time. In the long run, the public and its representatives are likely to judge the block grant on its educational merits, as much as on other features of Chapter 2. Third, reflecting the public's concern, educational improvement, by varying definitions, has been the focus of both federal and state policies in recent years (McLaughlin, 1982; Turnbull, 1982). There is consequently much interest in determining whether block grants are an appropriate and effective vehicle for this purpose.

In keeping with the statute, we give the overall educational goal of the block grant the term "educational improvement." Neither the ECIA law's subchapters nor the antecedent programs provide a useful basis for defining the term. The subchapters are too loose; the antecedent programs are too numerous and narrowly specified. Underlying both are generic types of educational support that have a close relationship--in principle--with the quality of education students receive. We discuss these types of support in Section II of this report and derive from them dimensions of educational improvement that we were able to study.

Administrative Purposes

As stated in the federal law, the educational aims of the block grant are closely linked to a central administrative purpose: to streamline the administration of these federal funds, by contrast with administrative requirements and practices before the block grant. The law indicates that it is Congress' intention to assist local educational agencies:

> in a manner designed to greatly reduce the enormous administrative and paperwork burden imposed on schools at the expense of their ability to educate children. [Sec. 561(a)]

This goal reflects a longstanding concern at the federal level with the costs and burdens that federal programs may have imposed, both individually and collectively, on local educational agencies (GAO, 1980; Turnbull, 1981). These complaints have been raised most specifically with regard to the larger categorical programs, such as Title I, ESEA, or P.L. 94-142 (e.g., Council of Chief State School Officers, 1977; Stearns et al., 1980; Rezmovic and Keesling, 1982) and with reference to the aggregate of federal programs that operate simultaneously within a school district (e.g., Hill, 1979; Kimbrough & Hill, 1981; Knapp et al., 1983). Although less often singled out as targets for this concern, the 32 programs consolidated into the block grant shared many of the features of other federal programs and, in combination, raised the possibility that cumulative administrative responsibilities falling on district staff were greater than necessary.

Intergovernmental Purposes

By contrast with the large targeted categorical programs and most of the antecedent programs folded into the block grant, the ECIA law places greater responsibility for deciding how funds should be used at the lowest level of the intergovernmental system. In the language of the statute, funds are to be used

> in accordance with the educational needs and priorities of State and local educational agencies as determined by such agencies. [Sec. 561(a)]

The law further emphasizes the role of local discretion by adding that, although the basic responsibility for the administration of the funds rests with State educational agencies,

> the responsibility for the design and implementation of programs assisted under the chapter shall be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because they have the most direct contact with students and are most directly responsible to parents [Sec. 561(b)]

In addition, the statute requires that at least 80% of the funds distributed to each state "flow through" directly to local educational agencies. With respect to these funds,

> Each local educational agency shall have complete discretion, subject only to the provisions of this Chapter, in determining how funds the agency receives under this section shall be divided among the purposes of this chapter.... [Sec. 566(c)]

These provisions transmit a clear message: neither the federal government nor the states are to influence the way school districts choose to use block grant funds, a position that was explicitly reiterated in recent Technical Amendments to the legislation: "States may not exercise any influence in the decisionmaking process of a local educational agency." (97 Stat. 1412, 1983).

There are also assumptions within the law about who at the local level should be involved in decisionmaking. The statute indicates that all levels of staff from school superintendent to classroom teacher and supporting personnel should be involved in "design and implementation" of activities supported by block grants. Elsewhere, the law requires that, during the development of its application, each school district consult with parents, teachers and school administrators, and other appropriate groups [Sec. 566(a)].

The intent to maximize local discretion reflects a trend in federal policy away from detailed specification of program purposes and procedural details at the federal level--the essence of the targeted categorical programs of the last two decades--toward a more passive federal role. The trend has deeper roots than currently popular political philosophies. A decade or more of research on the implementation of federal programs has dramatized the fact that federal programs inevitably are adapted to the conditions, needs, and capacities of the local agencies implementing them (e.g., Berman & McLaughlin, 1978; Williams, 1980; Farrar et al., 1980). This realization raised questions in the minds of many about the appropriate balance of discretion among the different governmental levels, with many feeling that federal policy had in general gone too far. Even before the passage of ECIA, steps had been taken to streamline federal programs and make them more responsive to local initiative, including some of the antecedent programs themselves (e.g., McDonnell & McLaughlin, 1980; Beers et al., 1981). The block grant emerged from this period of change in policy as the first major step in federal education policy to alter the balance of discretion in favor of the local level.

Research Questions

We investigated the achievement of these three goals in Chapter 2 by posing the following research questions:

Educational Improvement

1. What aspects of the local educational program has Chapter 2 affected and how has it affected them?
2. How important do district and school staff perceive the block grant's contribution to be?
3. To what extent do Chapter 2 funds support innovation and experimentation?
4. How do the improvement-oriented activities supported by the block grant differ from what occured under antecedent programs?

Administrative Burden Reduction

5. How do the local administrative activities required or implied by Chapter 2 differ in terms of the load they impose on local staff?

6. To what extent are the local costs of administering Chapter 2 covered by block grant funds? Are unreimbursed administrative costs a problem for districts?

7. Overall, how do local district personnel view the impact of the block grant on administrative burdens?

Enhancement of Local Discretion

8. How much flexibility do local educators feel they have under Chapter 2?

9. To what extent do local staff perceive that their flexibility has changed under the block grant from the programs that preceded it? How has it changed?

10. Do local groups experience their flexibility or role in decisionmaking differently under the block grant?

Methods and Data Sources

We have assembled evidence about the achievement of federal goals from three data sources:

- A nationally representative mail survey of 1,600 districts during the middle of the 1984-85 school year, the third year of Chapter 2's implementation at the local level. Districts were selected randomly within a stratification grid defined by three variables: district size, regional location, and level of antecedent funding per pupil. District Chapter 2 coordinators filled out the questionnaire. Response to the survey was high: overall, 78.2% of the districts that were sent questionnaires returned them.

- A representative telephone survey of 300 schools, chosen at random from 120 districts that were, in turn, selected randomly from all the cells of the mail survey stratification grid. Schools were selected to represent equal proportions of elementary, junior high/middle, and high schools; and, within each of these categories, equal numbers using their Chapter 2 funds for three types of purposes: computer applications, gifted and talented programs, and remedial or basic skills programs. Principals and teachers (involved in Chapter 2-supported activities) were the respondents. Telephone survey data were collected towards the end of the 1984-85 school year; 91.2% of the schools chosen for the sample responded.

- Site visits to 24 school districts in 13 states, a subset of the mail survey sample, and within these districts approximately 100 schools chosen to reflect the principal variations in district size, regional location, and antecedent funding levels represented in the mail survey stratification grid. The choice of sites balanced a number of other selection criteria: metropolitan status, presence of a desegregation plan, fiscal condition, proportion of students educated in nonpublic schools, nature and level of interest group activity, types of activities supported by block grant funds, and relationships with intermediate units. A variety of staff were interviewed in each site: Chapter 2 coordinators, superintendents, business officers, and other district administrators; school board members; and principals and teachers in a sample of schools within each district. These site visits took place in the fall of the 1984-85 school year. (Some examples have also been drawn from a second site visit sample of 24 sites in 8 different states.)

The types of data collected from these three sources were coordinated so that what we learned from one could be related to findings from another. Mail survey items, for example, were asked as part of the interviews done during case studies. Other interview questions probed more deeply the information gained from the mail survey. The telephone survey explored the same topics, for selected Chapter 2-supported activities, at the school level.

Further information on the study's research methods appears in an appendix to the main report of the National Study of Local Operations (Knapp and Blakely, 1986).

Organization of This Report

The report is organized in four sections following this introduction. The first three present findings related to each of the three legislative goals. The final section summarizes these findings, discusses their relationship to one another, and attempts to place them in the broader perspective of block grant implementation and effects.

II EDUCATIONAL IMPROVEMENT

In this section, we define the goal of educational improvement in operational terms and summarize evidence regarding four areas in which the block grant may have contributed to improvement: materials and equipment, curriculum or staff renewal, schoolwide planning and coordination, and the process of innovation. We conclude the section by discussing consequences of districts' improvement efforts under the block grant.

Defining and Measuring Educational Improvement

In discussions of federal policy, "educational improvement" has been discussed more often than defined. And by any definition, the concept poses a major challenge for empirical measurement. The term has taken on meaning in several ways. Some commentators distinguish it from "maintenance activities"—continued support for an existing program at roughly comparable levels across years. Others separate "educational improvement" from "activities to equalize opportunities for disadvantaged groups"—e.g., support for programs aiding a particular student target group. Neither of these distinctions is particularly useful. Maintaining an ongoing program in the face of declining funds from other sources may represent an improvement over what would have happened without the support. Activities to equalize opportunities are those that seek to improve education for a specified sector of the student population.

"Educational improvement" is also a label attached to particular programs, such as ESEA Title IV-C ("Improvement of Educational Practices") or to various state reform efforts initiated in recent years, such as the School Improvement Program in California.

A Working Concept of Educational Improvement

We can fashion a sharper and more useful definition by specifying (1) the aspects of the instructional program that are to be improved, (2) the reference point for changes asserted to be improvements, and (3) the criteria that distinguish "getting better" from no improvement or negative changes.

One can aggregate across districts the contributions Chapter 2 funds make to particular aspects of the instructional system that influence what and how much students learn. We have identified five such aspects of the instructional program that can be influenced directly by block grant funding:

- Materials and equipment
- Curriculum
- Staffing and staff training
- Schoolwide coordination and planning
- The process of experimentation.

The most natural reference point for assessing improvement is the situation that prevailed under antecedent programs immediately prior to Chapter 2, i.e., in the 1981-82 school year (and to an extent, previous years as well).* This comparison across time figures in our analyses, but at an aggregate level. Thus, our analyses do not distinguish the differences among districts in their configurations of antecedent programs.

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*A second reference point is equally important: what would occur at present in the absence of block grant funding. This reference point, too, has complications, because the implied baseline is hypothetical (it cannot even be approximated by comparison groups because virtually all districts receive block grant funding). Furthermore, perceptions of this baseline are easily colored by contextual factors (e.g., fiscal conditions) and the respondent's own wishes. However, respondents routinely do assess the block grant against this yardstick, and to the extent we were able, we used it in our analysis as well.

We distinguished "getting better" from "no improvement" by four rough criteria, which in combination suggest that efforts are being made to improve the district's educational program.

- Increase in the quantity of a desired component of the instructional program--e.g., more staff, more computers.
- Newness or innovation (relative to what a district experienced before)--e.g., the initiation or development of a new practice; utilization of new types of material or technology.
- Relationship to the central academic mission of the schools--e.g., application to reading, mathematics, science.
- Association with the conditions for enhanced student learning such as by increasing student motivation, engaged learning time, the teacher-pupil ratio, and the appropriateness of curriculum to particular learning needs or unmet instructional goals.

No one of these criteria indicates that things have improved. New programs, for example, are not necessarily better ones. However, where two or more of these criteria are satisfied, one can argue that district or school personnel are engaging in "improvement-oriented" activity; in other words, they are making the effort to improve what they do whether or not the effort ultimately changes students' performance. (Our analyses do not assume all four criteria must be met for improvement to exist; however, the more criteria that are satisfied, the stronger the case that improvement is occurring or is likely to occur.)

These criteria are necessarily global and, as such, can yield only a rough approximation of improvement in instructional systems. But for purposes of a national study, they are useful for distinguishing improvement-oriented activities from other activities such as student support programs (e.g., drug abuse prevention programs), continued support for ongoing instructional services (e.g., Chapter 2 funding that compensates for cutbacks in Chapter 1 funds), or administrative uses of the block grant.

Types of Evidence

Although some may argue that improvement can be demonstrated only in terms of student performance, we do not consider it either appropriate or feasible to assess the direct contribution of block grant funds to student outcomes. Chapter 2 funding is usually a small part of a larger instructional program, so that the unique contribution of the funding is hard or impossible to isolate. Given the wide range of uses under the block grant, one would also be hard put to aggregate the effects on students across districts or even across uses within a single district. Finally, the effects on student outcomes of many--if not most--uses of the block grant are likely to manifest themselves only in the long term, if at all.

In place of student performances--the ultimate outcome of an improved educational program--we can use two levels of evidence indicating whether or not block grant funds contribute to the process of improvement.

A first level of evidence that the block grant contributes to improvement-oriented activity can be developed from mail and telephone survey returns. These data show the incidence of the following specific activities:

Aspect of the Instructional System	Improvement-Oriented Activity Attributable to the Block Grant
Materials and equipment	• Purchase of new types of equipment or materials (e.g., computer hardware or software); evidence that the equipment is used.
Curriculum	• Partial or full support for curriculum development.
Staffing and staff training	• Net increase in the ratio of staff to students; introduction of new types of staff that fill gaps in the expertise of school or district faculties.

Staffing and staff training (concluded)	. Retraining in areas for which staff were previously unqualified. . Partial or full support for other forms of staff development aimed at instruction, or instructional support.
Schoolwide coordination and planning	. Presence or initiation of planning processes, beyond the boundaries of a particular classroom or program, that is attributable to block grant funds or requirements.
Process of experimentation	. Use of block grant funds for new-program development or as "seed money" for pilot projects.

A second level of evidence comes from interviews on-site with individuals using the materials and equipment, developing the curriculum, undergoing staff training, or participating in planning or the innovation process, and with others in positions to reflect on the relative importance of these activities in the school or district. We draw on both levels of evidence in the presentations that follow.

Improvement in Equipment and Materials*

A majority of districts in all size categories use some or all of their Chapter 2 funds for equipment and material purchases: in the 1984-85 school year, 72% of all districts purchased computer hardware or software with these funds (accounting for approximately 30% of total local dollars under the block grant), and 68% put some Chapter 2 funding into other material or equipment purchases (or about 29% of total local dollars). The two types of use have different implications for the presence of "improvement-oriented activity" by the definition used here.

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*A more detailed description of block grant support for instructional equipment and materials appears in another report of the National Study (Knapp and Blakely, 1986.) The figures cited here are national estimates based on survey responses.

Computer Hardware and Software

For most districts, computer hardware and software purchases represent a step into a new mode of instruction. Although block grant funds are not the only way computers were purchased, nor necessarily the first source of funding for this type of purchase, nevertheless these dollars have allowed many districts to make a quantum jump in the availability of computers and related software to students and staff. Several samples from our fieldwork typify the pattern:

- A district in a small Midwestern city increased its supply of computers from a handful to more than 100 in the first 3 years of the block grant, such that each secondary school had a computer lab and each elementary school three computers.
- A large Southern county district took advantage of what it perceived as a "windfall" increase in funding under the block grant to make major hardware purchases as part of an existing 5-year plan to put computers in every classroom and all areas of the curriculum.
- A suburban district in the Northeast established the introduction of educational technology as a major priority at the same time block grant funds became available. Chapter 2 initially supported about one-third of the district's computer equipment purchases and continued at reduced levels in subsequent years as other funds became available.

The use of block grant funds for computer-related purchases represents a dramatic change from what prevailed under the antecedent programs and also what would realistically be possible without Chapter 2 support. Table II-1 demonstrates the proportion of districts within each size category that made computer hardware or software purchases under antecedent programs and under the block grant. As the table shows, these increases reflect a comparable growth in the number of students potentially affected by the funds used for this purpose.

Table II-1

COMPUTER-RELATED PURCHASES UNDER ANTECEDENT PROGRAMS AND UNDER CHAPTER 2, BY SIZE OF DISTRICT

District Size (Enrollment)	Percentage of districts purchasing computer hardware or software under..	
	Antecedent programs in the 1981-82 school year	Chapter 2 in the 1984-85 school year
Very large (25,000 or more)	37	85
Urban	29	85
Suburban	47	87
Large (10,000 to 24,999)	26	82
Medium (2,500 to 9,999)	23	78
Small (600 to 2,499)	23	80
Very small (under 600)	13	62
All districts	20%	72%
Proportion of nation's students	(.23)	(.80)

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*The districts in each column include the indicated proportion of the nation's total student population.

The shift toward computer purchases under Chapter 2 cannot be attributed to the block grant alone. Respondents told us that they decided to use block grant funds for computer purchases because enthusiasm for computers was "in the air," and that they would have tried to purchase this equipment through other means (including some of the antecedent programs, had these continued). But the real increases in discretionary funds that most districts had under the block grant, coupled with the low levels of restrictions on the use of these funds, made the block grant a particularly appropriate vehicle for getting into the computer age.

Has the introduction of computers contributed to the quality of the instructional program? Although a study of this kind can offer no definitive answers to this question, we were struck by the following kinds of evidence that suggest that some improvement is taking place:

- Computers are being used. Telephone survey evidence from principals and teachers in a sample of 95 schools with Chapter 2-purchased computer equipment (backed up by site visit observations in other schools) indicates that in nearly three-quarters of the schools the computers are being used for 16 hours or more per week (more than half of the school day).* School staff report that, on average, a majority of the students in each school (58%) and half the staff are using the equipment (this may exaggerate the actual participation levels somewhat)..

- The level of excitement about computers among students and, to a lesser extent, staff is high. Virtually all schools report improved student motivation and, for many staff, considerable excitement about the new equipment (some staff remain uninterested or apprehensive, however). The following observation by an elementary teacher captures a widespread response among students: "The kids love [the computers]. Most kids here don't like math. I asked some the other day whether they liked LOGO. They said, "Yes." I said, "But that's math." "Oh, no it isn't; it's fun math."

- Computer hardware and software is being used mostly for instruction, especially in basic academic subject areas. Telephone survey results suggest that the most frequent applications of the equipment are instructional: for drill and practice (92% of the schools surveyed), computer literacy (89% of the schools surveyed), and special projects by students (76% of the schools surveyed). These applications most often concentrate on three core academic areas: math (81% of the schools), reading/writing (59%), and science (53%). The mail survey confirms that the use of computers for noninstructional purposes (e.g., administration) is relatively unusual--occurring in 7% of the districts nationwide that put Chapter 2 funds into computer purchases--although telephone survey results indicate that approximately half the schools with Chapter 2-purchased computers use them part of the time for student diagnosis or "instructional management" (e.g., computerized recording of students' progress toward objectives).

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*The telephone survey sample (n = 95 schools using block grant funds for computer-related programs) was not large enough to make precise national estimates. However, the sample was large and varied enough to capture the range of block grant uses in this area.

One must be realistic about the magnitude of this contribution to the instructional program to date. In a number of districts, Chapter 2 funds made the difference between one and two computers per elementary school (or no computer and 1 computer). The real impact of this addition to the majority of students and staff in the school must be small, although the longer term impact may be considerable. A principal of a small elementary school explained:

> Most of last year, I had one computer; then late in the year, I got two additional ones. So now I have two computers for several classes... and I leave one in the learning center for special projects. If we're talking "instruction," there's not much effect yet. Kids are more turned on, excited. The biggest thing so far are the effects on teachers' attitudes; of my 14 teachers, 13 of them feel comfortable with [the computers].

The contribution of computers to instruction must also be interpreted, in light of the flush of enthusiasm for computers that was obvious during data collection. It is fashionable these days to be positive about computers and their potential contribution to education. Many observers are more cautious and feel that computers have yet to prove themselves. During site visits we encountered examples of computers being used in ways that had little to do with educational improvement, for example, a school in one district where students were allowed to "play with" the computers if they behaved well during academic instruction.

Other Materials and Equipment

Other forms of material and equipment purchase follow the pattern established under ESEA Title IV-B: these funds most often are used to supplement the materials and equipment in libraries and media centers, both at the school and district levels. It is more difficult to make the case that these funds contribute as much to "educational improvement" as defined here, however important the funds may be to their respective library or media center programs. First, there has been a net decrease in the numbers of districts allocating funds to this area from antecedent programs to the present (see Knapp and Blakely, 1986). A second reason is that the purchases usually do not add new or innovative resources. Although the funds may increase the numbers of overhead projectors, for example, or allow a library to introduce a new cassette series, they often are a way to maintain library collections under situations where funds are declining or to replace outdated or worn-out equipment. Finally, we found little evidence of special efforts made to put these materials or equipment into regular use in classrooms or instructional programs; rather, the kits, reference books, or other materials some purchased were available as an instructional resource. Some examples from our case study fieldwork illustrate what these funds contribute to the respective library programs:

- A district library coordinator in a small Southern city noted that "Chapter 2 funds are about half of our district library budget. It's the only fund we can use to buy filmstrips, records, cassettes, or kits. The district general fund is only for reference books, textbooks, or magazines."
- A middle-school librarian in a medium-sized suburban district described her Chapter 2 purchases: "Last year, it was largely big purchases--books about each state, for example, for the speech classes. There we were updating our collection. Also, animal encyclopedias for science. This year, it's reference books we wouldn't otherwise have had the money for--current biographies, books on the presidents...."

There are exceptions to the pattern we have described. The video-cassette recorder (VCR), for example, is a popular piece of audio-visual equipment that some school media centers are acquiring with block grant funds. The VCR may be playing a role in the school curriculum analogous to computers, as the comment by one middle-school teacher in a suburban district suggests:

> We're in the middle of a video explosion here. When [the VCR] first came, it was not much used. We first thought it was just a good idea, but we were not sure what we were going to do with it. Now the machine is hard to get hold of. We could use another one.

Curriculum and Staff Development*

Approximately a third of school districts nationwide use some of their Chapter 2 funds for curriculum development, staff development, or both. (Together, the two types of activity account for approximately 18% of total LEA flow-through dollars under the block grant.) This proportion was much higher in larger districts, as Table II-2 shows.

Set against the baseline of antecedent funding programs, there have been increases in the percentages of districts using funds for these purposes, as Table II-2 demonstrates. The increases in districts funding staff development under the block grant activities are substantial, approximately double the percentage of districts in all size categories that used antecedent programs for this purpose. As with the case of computers the change in percentage of districts is matched, at an aggregate level, by increases in the proportion of the nationwide student population potentially affected by the curriculum or staff development efforts.

Curriculum Development

Chapter 2 funds support curriculum development in a wide variety of areas, but the bulk of the curriculum work is done in the core academic subject areas and in computer literacy or computer science. Site visits provide examples of the range of curriculum development efforts:

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*A more detailed description of curriculum and staff development activities supported by Chapter 2 appears in another report from the National Study (Knapp and Blakely, 1986).

Table II-2

USE OF FUNDS FOR CURRICULUM AND STAFF DEVELOPMENT UNDER ANTECEDENT PROGRAMS AND UNDER CHAPTER 2, BY SIZE OF DISTRICT

District Size (Enrollment)	Percentage of districts using funds to support...			
	Curriculum development		Staff development	
	Antecedent*	Chapter 2**	Antecedent	Chapter 2
Very large (25,000 or more)	50%	56%	42%	79%
Urban	56	50	48	83
Suburban	43	62	35	73
Large (10,000 to 24,999)	33	49	29	68
Medium (2,500 to 9,999)	26	33	22	40
Small (600 to 2,499)	17	25	10	27
Very small (under 600)	10	18	7	16
All districts	17	25	12	27
(Proportion of nation's students)	(.30)	(.43)	(.26)	(.54)

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[*] In the 1981-82 school year.

[**] In the 1984-85 school year.

[+] The districts in each column include the indicated proportion of the nation's total student population.

- Chapter 2 funds have allowed a large urban district in a Southern state to complete magnet school curriculum development started under ESAA (although other aspects of the desegregation program were cut back). With the block grant funding, the district has created specialized curricula in different high schools in areas such as the health professions, the arts, business, transportation, and gifted and talented programs.
- Chapter 2 funds in a small urban district in the Midwest support rapid expansion of computer education, including the effort to develop a critical-thinking skills component.
- In a small rural district in the West, Chapter 2 funds have been used to revise the reading curriculum in grades 1 through 3, in response to the community, which is "up in arms" about poor reading scores.

It is, of course, difficult to assess the quality of curricular work currently in progress. Nevertheless, the block grant funds do enable local staff in a quarter of the nation's school districts to attempt to improve curricula.

As with the introduction of computers, one must keep the scale of this curriculum work in perspective. As Table II-3 indicates, the average amount of block grant funds invested in curriculum work is modest--enough perhaps to support a summertime curricular revision project of several weeks duration in one subject area for a particular grade.

The averages appearing in the table summarize a range from small-scale curriculum improvement efforts affecting one or a few teachers (not unlike teacher mini-grants under ESEA Title IV-C prior to the block grant) to an overhaul of the district-wide curricular sequence and materials, as in the case of a large rural district we visited (in a state with no state guidelines or mandated curriculum in social studies) which hired a nearby educational consulting firm to create an entire social studies curriculum for the district. The project took 2 years to complete and cost approximately $50,000 a year--nearly half of the district's annual Chapter 2 allocation.

TABLE II-3

AVERAGE INVESTMENT OF CHAPTER 2 FUNDS IN CURRICULUM DEVELOPMENT, BY SIZE OF DISTRICT

District Size (Enrollment)	Median amount of 1984-85 Chapter 2 funds districts invested in curriculum development, and median percentage of their annual annual allocation*	
	Amount	Proportion
Very Large (25,000 or more)	$59,714	15%
Urban	44,792	10
Suburban	78,048	20
Large (10,000 to 24,999)	10,863	10
Medium (2,500 to 9,999)	4,200	15
Small (600 to 2,499)	1,720	15
Very small (under 600)	1,155	32
All districts	2,444	19

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*Medians exclude districts that put no funds into this area.

Staff Development

Districts can use Chapter 2 funds to improve the quality of their staffs in two ways: through training and by hiring additional staff who possess needed expertise. Our data suggest that training has become a major focus of activity under Chapter 2 in the largest three district-size categories, and an area of increased activity in smaller districts. Chapter 2 funds have less often been used for hiring.

Several features of this staff development activity as a whole suggest that it is improving the capabilities of school instructional staff:

- Almost all the staff development supported by Chapter 2 is aimed at teachers, although other types of staff often are included.
- In nearly half the districts using Chapter 2 funds for staff development, the block grant has supported retraining of teachers in areas of shortage, such as mathematics, science, and computer applications.
- Staff development concentrates on instructional issues--training in particular subject areas (40% of the districts using Chapter 2 for staff development) and in teaching techniques (in 77% of these districts)--rather than such areas as personal development or administrative issues. In 46% of the districts using block grant funds for this kind of activity, Chapter 2 supports instructional leadership training for principals.

Site visits suggest that the intensity, format, and character of these staff development activities vary widely, from one-time workshops to more elaborate forms of training. Most of the staff development supported by Chapter 2 does not involve intensive training and follow-up in the manner of programs such as Teacher Corps that preceded the block grant (few of which were continued with Chapter 2 funds). Given this range, the actual contribution made by the block grant to staff skills may be mixed. The following examples from site visits demonstrate the range of training experiences supported by Chapter 2:

- In a large urban district in the South, block grant funds help to support a teacher center that provides training to teachers in conjunction with a local university.

- Block grant funds have augmented the staff development offerings in a large urban district in the West to include computer education, training for first-grade remediation, workshops on drug and alcohol abuse, and an employee wellness program.
- A small Appalachian district contributes Chapter 2 funds to a consortium of nearby districts, which provides training in microcomputer applications and in strategies for individualizing reading instruction (a local response to impending minimum-competency testing in this state).

The block grant has not supported major additions to school or district staffs. A minority of districts nationwide (18%) use the funds to pay for staff of any kind.* For a variety of reasons, including the uncertainty of federal funding, the small Chapter 2 grant size in most districts, and the relative expense of salaries, most districts have not used the block grant to invest significantly in staff (see Apling and Padilla, 1986, for a discussion of these factors). Chapter 2 funds are more likely to pay for staff in larger districts, some of which lost other staff because of decreases in funds from antecedent programs.

Schoolwide Coordination and Planning

We were interested in the extent to which districts used Chapter 2 funds in program improvement based at the school building level, especially in efforts involving schoolwide planning or other elements identified in research on effective schools, such as instructional leadership activities of principals. Mail survey results, as shown in Table II-4, indicate that a majority of districts use block grant funds to support "schoolwide improvement programs," defined as any effort to upgrade the curriculum, staff, or instructional program for the whole school. Fewer districts--approximately a fifth of all districts nationwide--use Chapter 2 in "programs based on effective schools research."

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*This percentage varies greatly by district size, from 85% of very large districts and 53% of large districts to 10% of very small districts. However, districts that use Chapter 2 for salaries tend to support few staff and use the bulk of the block grant for other purposes.

Table II-4

USE OF CHAPTER 2 FUNDS FOR SCHOOLWIDE IMPROVEMENT PROGRAMS OR PROGRAMS BASED ON EFFECTIVE SCHOOLS RESEARCH, BY SIZE OF DISTRICT

	Percentage of districts reporting that they use Chapter 2 funds for...	
District Size (Enrollment)	Schoolwide improvement programs	Programs based on effective schools research
Very large (25,000 or more)	70	37
Urban	69	34
Suburban	71	40
Large (10,000 to 24,999)	76	34
Medium (2,500 to 9,999)	64	27
Small (600 to 2,499)	59	22
Very small (under 600)	54	13
All districts	58	20

The figures in the table must be interpreted carefully. Respondents were likely to label a wide variety of things as "schoolwide improvement," including staff and curriculum development activities but also, in some cases, library support. In other words, many forms of support fall into the category, almost to the point that the category loses meaning. "Programs based on effective schools research" referred more specifically to efforts to improve basic skills through activities such as training in instructional leadership skills.

Closer examination on-site suggests that the block grant per se has not stimulated schoolwide instructional coordination or planning. In some cases it supported existing mechanisms, such as the campus planning teams that one large district set up under ESAA and continued under the block grant, or the School Improvement Councils found in another site. However, most planning for the use of block grant funds usually takes place at the district level, not in schools (see Section IV). There were two exceptions:

- In many districts using block grant funds for computers, formal or informal school planning processes developed as staff struggled to understand the new technology and define its place in their instructional program.
- District minigrant programs set up under Chapter 2 could encourage school-level planning as teachers (or school faculties as a group) developed proposals for minigrant funds. One teacher, for example, noted that the innovation grants process in which she participated "makes for more detailed planning."

Process of Innovation

The block grant may have contributed as much to the process of developing local solutions to educational problems as to materials and equipment, curricula, or staff. Accordingly, we tried to determine if the block grant had encouraged districts to experiment or develop innovative projects that might be picked up subsequently by local (or other) funding sources--a role analogous to the "seed money" function of projects funded under ESEA Title IV-C--and whether the approach to innovation or degree of it represented a change from the situation under antecedent programs. Table II-5 summarizes the relevant mail survey findings.

Our site visit data suggests that the block grant supports a local process of innovation in at least three ways:

- By providing additional means to support district-wide planning of new departures in the instructional program, such as computer education or, less frequently, larger-scale curriculum development.
- By giving creative administrators (e.g., the superintendent, some Chapter 2 coordinators) some money with which to encourage experimental programs--as one superintendent put it "I use

Chapter 2 funds to get things started around here." (This kind of "risk money" was sometimes necessary to persuade conservative school boards to try something out.)

- By supporting formal innovation processes at the local-level, e.g., local mini-grant programs (see Table IX-1). Modelled by mini-grant programs invited school-level staff to propose ways for small amounts of district Chapter 2 funds to be used.

Table II-5

USE OF CHAPTER 2 FUNDS TO START NEW PROGRAMS, AS SEED MONEY, AND TO FUND MINIGRANTS, BY SIZE OF DISTRICT

	Percentage of districts indicating that Chapter 2 funds...		
District Size (Enrollment)	...Allow districts to start new programs	...Are viewed as seed money	...Are used for minigrant programs
Very large (25,000 or more)	67%	47%	15%
Urban	59	45	17
Suburban	77	49	13
Large (10,000 to 24,999)	77	44	13
Medium (2,500 to 9,999)	60	37	3
Small (600 to 2,499)	66	35	4
Very small (under 600)	44	16	2
All districts	56%	28%	3%

There is no simple way to assess whether the number of districts using funds to further the process of innovation has changed since before Chapter 2, but we can approximate the change by comparing the frequency of districts with ESEA Title IV-C funds (or other antecedent programs) with the frequency of districts viewing block grant funds as seed money and/or using it to start new programs. Although there is some variation across size categories, the comparison presented in Table II-6 suggests that more districts are using block grant funds to support an innovative or

Table II-6

SUPPORT FOR INNOVATIVE OR EXPERIMENTAL PROJECTS UNDER ESEA TITLE IV-C AND THE BLOCK GRANT, BY SIZE OF DISTRICT

	Percentage of districts that...	
District Size (Enrollment)	...Had ESEA Title IV-C funds in 1981-82	...Viewed block grant funds as seed money and/or as a way to start new programs
Very large (25,000 or more)	63%	65%
Urban	71	62
Suburban	54	68
Large (10,000 to 24,999)	47	60
Medium (2,500 to 9,999)	33	46
Small (600 to 2,499)	23	46
Very small (under 600)	9	22
All districts	20	37
(Proportion of nation's students)*	(.45)	(.54)

*The districts in each column include the indicated proportion of the nation's total student population.

experimental project than had done so before with antecedent program funds aimed at this purpose. The biggest increase in innovative activity appears among smaller districts. The proportional changes among the largest districts are not so great, and, in fact, fewer very large urban districts appear to use the block grant for experimentation than did so with Title IV-C funds before. This pattern partially explains why there has been only a small increase in the proportion of the nation's students potentially benefitting from the funds. The largest urban districts (which were formerly especially successful at securing Title IV-C grants and subsequently tended to lose funds under Chapter 2) showed no increase.

Even if more districts are using funds to support the process of innovation, the character of these activities has changed in some ways from those supported by ESEA Title IV-C. Before the block grant, federally supported innovative projects tended to be carefully specified, planned, and evaluated, in response to federal requirements and the competitive grant process. Proponents of that approach argue that these requirements were necessary to ensure that projects were carefully thought out and that the results of the project might effectively be disseminated to others; in addition, the process of preparing competitive grants applications, although time-consuming, was thought to stimulate creativity. Under the block grant, which has few requirements for planning or evaluation and provides funds on a formula allocation basis, the local innovation processes supported by Chapter 2 funds span a wider range, from those that preserve a formal structure similar to what was done under ESEA Title IV-C to those conceived and implemented in a looser fashion. Our site visits enabled us to describe these processes more specifically and to judge whether the presumed outcomes of the Title IV-C process--creativity, thoughtful design of projects, documentation of project effectiveness-- occurred under the block grant as well, whether or not project participants adhered to a formal IV-C-like structure. Three examples capture the range of activities we observed:

- In a large county school district in the South, block grant support for computers had supported a range of activities from an imaginative "electronic classroom" in one school to the use of computers as a reward for good behavior (i.e., a chance to play video games) in another school whose staff had little idea how to integrate the computers into instruction. The district's manner of administering block grant aid permitted wide variation in school-level applications.

- Chapter 2 support enabled the purchase of a large number of computers in an urban site in the Midwest that implemented a detailed districtwide plan to introduce computers into the curriculum. The plan involved a phased sequence of computer-related skill training in all grades, including a computer literacy course developed for junior high students.
- A small rural site in a northeastern state set up a minigrant competition for its teachers. Potential projects are reviewed by a panel before awards are made; subsequent evaluation is not extensive. The competition has generated excitement and some new ideas, e.g., an artist-in-residence in one school that had never had an arts program at all.

On the basis of our site visit data, we can make several assertions regarding the block grant as a stimulant for innovation processes. First, the presence of relatively unfettered funds often attracts interest and even local competition for these funds. There appeared to be no lack of ideas about what to do with the money, especially in the small percentage (3%) of districts that set up minigrant arrangements, but also in a variety of other districts.

Second, the design of experimental projects is often subsumed within larger school and district planning processes, especially where the funds are used to support part of a larger program, such as a districtwide computer education plan. Third, there is little evidence of systematic documentation or evaluation of project results, beyond informal feedback for local purposes except in larger districts with established evaluation units and a tradition of formal evaluation.

Fourth, Chapter 2 funds are most likely to contribute to innovation where:

- Chapter 2 provides more funds than the antecedent programs.* Because innovations are typically seen as something "extra," it helps for district staff to feel they have additional funds to experiment with. The reverse is painfully obvious in large districts that lost a great deal of money under the block grant. As one Chapter 2 coordinator in a large urban district that had lost a large amount deal of ESAA funds put it, "Chapter 2 stimulated nothing. No, it was a funeral pall--just survival planning." In another large desegregating district, the coordinator explained, "We had to drop innovative programs. In terms of applications [to our minigrants program], it has decreased the number."

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*Three-quarters of all districts gained funds under the block grant (see Apling and Padilla, 1986; Knapp and Blakely, 1986).

- District leaders actively encourage innovation and view the block grant as money for experimentation. The block grant clearly provides the opportunity for leadership initiative, as one small rural district illustrated. During the first year of the block grant, under a former superintendent, the funds were used to extend the ESEA Title IV-B program. He was replaced by a superintendent who viewed Chapter 2 as "seed money"--a way to fund things "that probably would not happen unless a philanthropist moved into town." Subsequently, he used Chapter 2 to help set up minigrant programs, a new approach to testing, and a college exposure program, among other things--none of which had been done before in this district.

- There are no (or few) alternative ways to support innovation. Some districts had other discretionary funds at their disposal. Where this was so, it was not unusual to find districts experimenting with other funds (e.g., state improvement grants) while using Chapter 2 for fairly routine activities. On the other hand, in districts with tight budgets and many demands to meet, the small amount of "soft money" provided by the block grant was sometimes the only way to try out something new.

- Local funds are managed conservatively. Not all districts are willing to take risks with local funds. We encountered various examples in site visits of district administrators who had argued successfully with other local decisionmakers for starting new ventures with Chapter 2 funds (such as those involving computers) because "soft money" was available for this purpose.

The Dilution of Improvement Efforts

We have seen that a larger number and broader range of districts participate in improvement-oriented activities under the block grant. Within districts, there appears to be a tendency under the block grant to provide "a little something for everyone," rather than concentrating resources for greater benefit to fewer schools or students.

Something for Everyone

Mail survey data suggest this pattern in various ways. Except in the largest districts, there is a tendency to serve all schools in a district rather than some, as demonstrated for elementary schools in Table II-7. The pattern is less pronounced for activities, such as remedial programs, that imply a target population not equally distributed among schools.)* We found similar patterns for other levels of schooling (junior high/middle, senior high).

Paralleling this pattern, districts tend to direct block grant funds toward activities that benefit all kinds of students rather than selected target groups. This happens almost by definition where funds support libraries, media centers, or other schoolwide activities. But respondents indicated that the improvement-oriented activities on which our analyses, such as the introduction of computers or the development of new curricula, also were aimed at "all types of students" rather than particular target groups. With little variation across district size categories, 92% of the districts using Chapter 2 funds to support computer applications and 79% of the districts directing the funds toward curriculum development indicated that these activities were used for all kinds of students.

Various forces drove districts to disperse funding among students and schools:

- Pressure from principals for an even spread of resources among schools. Concentration of resources on particular schools or student groups creates obvious political problems for district decisionmakers. School personnel lobby for a "piece of the pie," especially when they know that funds like Chapter 2 are not earmarked for a particular purpose or group.

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*In this case, Chapter 2 funds may either contribute to funds concentration, by supplementing other remedial funds in target schools (e.g., those eligible for Chapter 1 funding), or provide a way of dispersing special program funds, by supporting the equivalent services in nontarget schools.

Table II-7

CONCENTRATION VERSUS DISPERSION OF CHAPTER 2 SUPPORT AMONG SCHOOLS WITHIN THE DISTRICT, FOR SELECTED ACTIVITIES, BY SIZE OF DISTRICT

	Percentage of districts using 1984-85 Chapter 2 funds for...			
	...Computer applications		...School-wide improvement efforts	
District Size (Enrollment)	All elementary schools	Some elementary schools	All elementary schools	Some elementary schools
Very large (25,000 or more)	24%	40%	34%	33%
Urban	18	41	31	38
Suburban	31	38	38	26
Large (10,000 to 24,999)	42	27	54	19
Medium (2,500 to 9,999)	51	19	43	13
Small (600 to 2,499)	49	14	38	15
Very small* (less than 600)	43*	9*	28*	21*
All districts*	48*	15*	38*	16*

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*Excluding districts with only one school.

- Patterns of distribution established under antecedent programs. Especially under antecedent programs like ESEA Title IV-B, Career Education, the Gifted and Talented program, or (depending on the desegregation plan) ESAA, the benefits had always been spread among all or most schools.* These patterns acted as a precedent for the use of block grant funds.

- Belief in the value of serving all. Many of the respondents we interviewed indicated that their job was to serve all students and that specially earmarked services, although necessary sometimes, were not a preferred mode of delivering education.

Diversification Over Time

Not only are block grant funds usually dispersed among schools and the student population, they may be spreading among more activities. Even though the amount of funds distributed to them has not changed appreciably in the 3 years of Chapter 2, districts seem to be allocating their block grant funds to an increasing number of activities over time. By comparison with the preceding year, districts tend to use their funds in an increasing number of areas, as shown in Table II-8.

The result may be that, at present levels of funding** (averaging between $7 and $9 per pupil nationwide), the block grant makes what most local educators perceive to be a relatively small contribution to their instructional programs. Nonetheless, we frequently found that the relatively small amount of funds was considered important--even essential--from the point of view of district staff most closely affected, such as a school librarian, a third of whose materials budget might come from block grant funds.

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*Some antecedent programs, like Teacher Corps or many Title IV-C projects, however, were highly concentrated.

**See other reports from the National Study for more detail on funding levels (Apling and Padilla, 1986; Knapp and Blakely, 1986)

Table II-8

CHANGE OVER TIME IN THE NUMBER OF ACTIVITY CATEGORIES SUPPORTED

School Year	Percentage of districts allocating funds to... ...2 or more of the major activity categories	...4 or more
Under antecedent programs:		
1981-82	41%	7%
Under Chapter 2:		
1982-83	48	10
1983-84	51	11
1984-85	69	18

Consequences of Dispersion and Diversification of Funds

The implication of diversification over time and of dispersion of funds among schools and students may be that the impact of block grant funding on educational improvement is, or is becoming, dilute. This dilution can mean the following at the local level:

- Each student in a school gets to use the new computers for a few minutes each week.
- All the schools in a district receive a small addition to their instructional materials fund, but one that is insufficient to purchase major new items.
- Experiments are tried in one year and abandoned the next for lack of follow-through, whether or not the project merited continuation.

Leveraging Effects

The broad dispersion of funds over many different improvement-oriented activities may also have significant leveraging effects, which offsets the dilution to some extent. There is evidence that leveraging occurs in at least some districts, if not many. The range of leveraging effects is suggested by these examples from our site visits:

- As local matching funds. A district in a small southern city that used Chapter 2 funds to match whatever schools can raise to purchase computers.
- As a way of matching funds from state sources. A rural Appalachian district that secured state discretionary funds for an arts program by matching it with block grant money.
- As project start-up funds. A northeastern district picked up pilot projects, funded originally by Chapter 2 dollars, with local funds.

The mail survey data previously reported in this section regarding the use of block grant funds as "seed money" can mean that a substantial number of districts leverage future funding with Chapter 2 dollars. But there is no way of ascertaining the incident of the two types of simultaneous leveraging suggested above.

Summary

The analyses in this section can be summarized as follows. First, with regard to improvement in equipment and materials:

(1) A majority of districts in all size categories are using some or all of their Chapter 2 money to support computer-based instruction of some kind (typically through the purchase of computer hardware or software). This pattern represents a dramatic increase over what was done under antecedent programs. This increase is not attributable solely to block grant funds, but has been more extensive than would have been the case without Chapter 2 money.

(2) Block grant support for other forms of instructional material or equipment (e.g., for libraries, media centers, and other school departments) is as extensive as for computers, but is not as clearly related to educational improvement as defined here.

Second, with regard to improvement in curriculum, we found that:

(3) Approximately a quarter of the nation's school districts put some or all of their Chapter 2 money into curriculum development, nearly one and a half times the number that did so under antecedent programs.

(4) The payoff of these projects cannot be determined at this time; typically, Chapter 2-supported curriculum projects have been modest in scope.

Third, regarding the block grant's contribution to staff improvement, we found that:

(5) Chapter 2 funds have contributed to a doubling of the number of districts in all size categories that are using these funds for staff development, by contrast with antecedent programs. The funds support training (often retraining programs in areas of teacher shortage) that is largely aimed at teachers' skills and knowledge in core academic areas, and also instructional leadership.

(6) The actual contribution of the funds to significant improvement in staff skills is probably mixed, reflecting the range in training activities from one-time workshops to elaborate and intensive training.

(7) Chapter 2 funds have not supported additions to staff in very many districts; fewer than a fifth report that these funds support salaries, often in larger districts with offsetting losses of funds (e.g., districts that formerly received ESAA funds).

Fourth, regarding schoolwide coordination and planning, we found that:

(8) The block grant appears to do little to stimulate schoolwide coordination and planning (with some exceptions in the case of minigrant and computer education programs). A majority of districts, however, indicate that the funds have been used for some "schoolwide improvement" activity (loosely interpreted by survey respondents to include many things, staff development and library support among them); approximately a quarter put block grant funds into some program "based on effective schools research" (e.g., instructional leadership training in 46% of the districts that used Chapter 2 for staff development).

Fifth, regarding the contribution of the block grant to the local process of innovation, our analyses indicate that:

(9) Block grant funds contribute widely to the start-up of new programs--in approximately half of the districts nationwide-- half of which view the block grant as "seed money." This is especially true where leadership encourages innovation, the block grant has increased discretionary dollars, there are few alternative sources of support, and local funds are managed conservatively.

(10) The pattern of new program start-up differs in some respects from the pattern of innovative projects that prevailed under ESEA Title IV-C: block grant funds apparently elicit at least as wide a range of project ideas, but planning and evaluation of project results are not as consistently structured or as systematic.

Sixth, regarding the tendency to spread or concentrate funding for improvement-oriented activity, we found that:

(11) There is a pronounced tendency for districts to spread block grant resources across all schools or students rather than concentrating on the needs of a few. This tendency is due to various factors, among them local political pressures, patterns established under antecedent programs, and educators' belief in the value of serving all children equally.

(12) Across the 3 years of the block grant, resources have tended to become more widely spread among various activity categories, even though the total amount of local Chapter 2 funding has remained approximately the same.

(13) This dilution of improvement efforts may be somewhat offset by the block grant's leveraging effects (which exist, but for which we cannot estimate the incidence nationwide).

III REDUCING ADMINISTRATIVE BURDEN

In this section we summarize evidence about how well the administrative purposes of the block grant have been achieved, in particular, the reduction of administrative burden.

To put our analyses in context, we first describe the administrators who are in charge of Chapter 2 coordination at the local level. We then explore the nature of the tasks they perform under the block grant and the administrative load these tasks entail. Next, we discuss administrative costs, noting the extent to which these are considered a burden for districts. Finally, we examine changes in administrative burden from antecedent programs to the present.

Local Chapter 2 Administrators

Looking across the nation's school districts, we find that it is coordinated by a wide variety of people. As with other federal programs, administering the block grant is usually one of many responsibilities held by the titular Chapter 2 coordinator. Only in the largest districts does the scale of operations under the block grant justify (and pay for) an individual who does nothing else. The number of other responsibilities carried by Chapter 2 coordinators corresponds inversely to the size of district, as seen in Table III-1; but other factors--especially decline in the size of the district, which typically forces fewer administrators to wear more hats--play a significant role as well.

Table III-1

OTHER ADMINISTRATIVE RESPONSIBILITIES OF CHAPTER 2 COORDINATORS, BY SIZE OF DISTRICT

District Size (Enrollment)	Average (mean) areas of responsibility besides Chapter 2*	Percentage of districts in which Chapter 2 coordinator is also responsible for...				
		Chapter 1, other federal programs	Staff development	Administration of regular inst. program	Libraries, media centers	Business; district budget
Very large (25,000 or more)	1.8	67	9	15	11	3
Urban	1.7	72	7	12	8	3
Suburban	1.9	62	12	19	14	3
Large (10,000 to 24,999)	2.3	66	30	25	26	3
Medium (2,500 to 9,999)	3.0	76	49	51	35	9
Small (600 to 2,499)	3.0	66	49	57	24	30
Very small (less than 600)	3.2	59	48	59	34	51
All districts	3.1	65	47	55	30	33

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*Out of 7 possible categories.

Table III-1 also displays the most common administrative responsibilities borne by Chapter 2 coordinators and how these are distributed by size of district. As the table shows, the larger the district, the more specialized the job of the coordinator becomes. Most have been Chapter 2 coordinators for all 3 years of the block grant, but a substantial minority (nearly half in the very small districts) have taken on this responsibility in the last year or two.

The nature and allocation of administrative responsibilities reflect the fact that Chapter 2 typically is not a single unified program at the local level like some federal programs, such as bilingual education programs supported with ESEA Title VII funds. Rather, the block grant funds typically support more than one activity and, more often than not, pay for part of the activity (e.g., the equipment, some training) while other funds pick up the rest of the cost. As a consequence, even though functions such as filling out the application form are usually done by a single person, the "administration" of the block grant can be divided among various parties. For this reason, we investigated burdens at the school as well as district level and, during site visits, discussed Chapter 2 administration with a number of administrators.

Examples from site visits will help to illustrate who the Chapter 2 coordinators are and what they do:

- The Chapter 2 coordinator in a very large urban district in the South was an administrator in the Federal and State Programs Office, who handled the application process for all such programs; programmatic supervision was decentralized among the various offices making use of the funds (teacher center, bilingual program, etc.).
- In a large district in a small Midwestern city, the job was split between the Business Officer, who dealt with funds accounting and external relations, and a Special Projects Coordinator, who managed the day-to-day operations of the computer project supported by Chapter 2 funds.

Chapter 2 coordinators vary not only in their current responsibilities but also in their past experiences with the antecedent programs. A third (34%) of the current Chapter 2 coordinators had no responsibility for any of the antecedent programs (such respondents often left blank the items concerning change in burden from that period of time.) Districts that had more than one antecedent program often split the administration of these activities among different individuals. In some sites we visited, one of these administrators (e.g., the one who had been in charge of ESEA Title IV-B funds) had no knowledge of other antecedent programs in the district (e.g., a Title IV-C project in one of the junior high schools). As a consequence, there was often no unified perception of antecedent programs within a district, but rather a collection of experiences by different individuals. This fact implies that global perceptions of change in administrative practice since antecedent programs may not reflect all aspects of administration under antecedent programs.

Local Administrative Tasks Under the Block Grant and the Load Associated with Them

The statutory goals for the block grant are most explicit about paperwork, but to develop a complete picture of block grant administration we asked questions about nine tasks: applying for funds, accounting for expenditures, reporting to state and federal agencies, evaluating the use of funds, administering programs for private school students, performing needs assessments, planning for programs and purchases, supervising programs and purchases, and consulting with parents or other community members. Not all of these tasks are required by the Chapter 2 law or regulations--most, however, are either implied or, practically speaking, cannot be avoided in managing local operations under the block grant.

Local Administrative Tasks Under the Block Grant

Our site visits helped to characterize what these tasks involve under the block grant. The first five tasks could involve significant amounts of paperwork:

- Applying for funds.* Districts must submit annual Chapter 2 applications to their respective state agencies, or in some states a yearly update of the triennial application. Application requirements vary across states, but are typically very simple. We visited districts of various sizes from which the Chapter 2 application was no more than two pages long. The application from one of the largest districts (in a state that requested program narratives and evaluation designs for each Chapter 2 component) was in excess of 150 pages.

- Accounting for expenditures. As with all federal programs, districts must account for their uses of Chapter 2 funds in ways that satisfy state fiscal accounting standards. In this respect, Chapter 2 differs little from many federal programs; the nature of the projects supported by the block grant determines the amount of bookkeeping required--at the simplest, district staff must record one-time purchases, such as computer or audio-visual equipment. More complex bookkeeping is required when large numbers of small items are purchased or staff are paid on an ongoing basis. In most districts, there are long-established routines for handling all of these.

- Reporting to state and federal agencies. The law requires districts to report to the state education agencies whatever it deems necessary for purposes of evaluation (see below) or other purposes. No reporting to the federal level is necessary. The level and kind of administrative work involved vary considerably by state and by the complexity of the district's Chapter 2-supported activities. But, as described elsewhere in the National Study (see Turnbull and Marks, 1986), states tend to ask for less reporting under Chapter 2 than they do for other federal or state programs.

- Evaluating the use of funds.** Districts are not responsible for a formal annual evaluation of their Chapter 2-supported activities, unless the state education agency asks them to do so. The state is required to do an annual evaluation of the use of Chapter 2 funds within the state, and may ask districts to supply them with information as part of that evaluation. Some states ask for nothing; others may send a yearly questionnaire to districts; while still others ask for a formal evaluation design as part of the district's Chapter 2 application and then an evaluation report at the end of the year. Districts respond to these requirements in a variety of ways depending on the available expertise,

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[*] See another report from the National Study for a more detailed discussion of state-local interactions regarding applications and other forms of paperwork (Turnbull and Marks, 1986).

[**] See another report from the National Study (Knapp and Blakely, 1986) for a more extensive description of local evaluation activities.

complexity of what must be evaluated, and belief in the importance of evaluation.

- Administering services for private school students.* Except in states with "by pass" arrangements (where a third-party contractor administers federal programs for private school students rather than the district) or the equivalent of these arrangements (e.g., where an intermediate unit takes on the responsibility), district staff are required to administer services for students in eligible private schools within district boundaries. This administrative job involves notifying and consulting with private school officials, making purchases or otherwise paying for services, accounting for these expenditures, and monitoring and evaluating the services. The size and complexity of this administrative job vary directly with the number of eligible private schools: half of the nation's schools districts in states without the alternative arrangements have such schools; the number of schools ranges from one to several hundred or more.

Although not typically involving much paperwork, the four remaining administrative tasks could require a considerable investment of the Chapter 2 coordinator's (or other administrator's) time.

- Performing needs assessments. The law does not require a formal needs assessment process. Some districts do, often as part of other needs assessments--for example, an annual needs assessment survey performed for the Chapter 1 program is done for Chapter 2, as well, in one rural site we visited. More typically, needs are "assessed" informally at the district level (as a Chapter 2 coodinator consults colleagues on possible changes in the use of funds for the next year) or at the school level (e.g., as a librarian asks teachers or department heads what they most need in the way of new materials in the school's instructional resource center.)

- Planning for programs and purchases. As with any instructional program, some planning, however informal, is likely to precede the activities supported by Chapter 2 funds. Federal law and regulations specify no formal planning requirements (except in one subchapter dealing with basic skills improvement projects, which asks explicitly for the development of a "comprehensive and coordinated program" to address students' skill deficiencies). Elaborate forms of planning become necessary under the block grant where the state education agency and local instructional planning traditions encourage it or where block grant funds are used for new programs or activities. As noted in Section II, planning for Chapter 2 is often subsumed in the planning process for the programs to which block grant funds provide partial support.

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*Two other reports from the National Study discuss this subject more fully (Cooperstein, 1986; Knapp and Blakely, 1986)

- Supervising programs or purchases. Particularly in larger districts, the supervision of programs or activities supported by Chapter 2 typically falls to staff other than the Chapter 2 coordinator, such as the district gifted-and-talented program coordinator (who might receive a new set of materials purchased with block grant funds) or the staff development director (who might have used Chapter 2 funds to pay a consultant to run a workshop series). Nonetheless, the Chapter 2 coordinator (and staff, if any) typically retains an overall supervisory responsibility and must oversee (and often carry out) the expenditure of the Chapter 2 funds.

- Consultation with parents or other community members.* Chapter 2 law and regulations stipulate that parents be consulted in decisions about the use of funds and that they contribute to the design and implementation of the activities supported by the block grant. District officials have interpreted these requirements differently, in some cases doing little more than a pro forma presentation before the school board, in other cases setting up parent advisory committees specifically for Chapter 2. More typically, consultation with parents is not extensive and consists of periodic conversations about Chapter 2 activities with advisory groups set up for other purposes (e.g., to guide the district's Chapter 1 program, to react to curricular changes in the core instructional program).

Administrative Load of Different Tasks

We had no simple way of measuring the actual time involved in accomplishing these tasks. Instead, we asked survey and interview respondents to characterize the administrative load associated with the tasks, by "assessing the burden" associated with each task.** We assumed that this broad and subjective concept captured the most significant dimensions of the administrative load imposed by the block grant. We recognized, in so doing, that there could be various meanings to the term and that "burdens" might not be straightforwardly related to the size of the administrative task or the number of requirements, as previous research on Chapter 2 and other federal programs has pointed out (e.g., Hastings and Bartell, 1984; Rezmovic and Keesling, 1983; Knapp et al., 1983).

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*See another report (Blakely and Stearns, 1986) from the National Study for an extensive discussion of this topic.

**Survey respondents assessed burden with a 4-point scale having the following values: 1 = not at all burdensome; 2 = not very burdensome; 3 = somewhat burdensome; 4 = very burdensome. Interview respondents described and assessed the tasks qualitatively.

In reflecting on Chapter 2 and the programs that preceded it, our respondents were likely to consider the following kinds of things burdensome:

- Paperwork that seemed unnecessary or duplicative (e.g., filling out multiple applications for funds).
- External requirements that were thought to constrain unnecessarily administrators' discretion (e.g., state requirements to get permission for out-of-state travel with Chapter 2 funds).
- Sheer volume of work, when other demands on worktime were severe.
- An increase in administrative activity in areas (such as private school services) that previously were simpler.
- Administrative tasks, such as evaluation, that were difficult to do or that required expertise not possessed by staff within the district.
- Decrease in funding without a lessening of administrative work, as in the case of districts in which participation by private school students increased under the block grant.

The sense of burden was generally tempered by respondents' perceptions of the benefit derived from the administrative activity (other research has distinguished the "importance" of a task from the sense of burden surrounding it). As these meanings suggest, our respondents made it clear to us that burden was not the same as the amount of time spent administering the block grant, or even as the absolute amount of routine drudgery involved. We repeatedly encountered Chapter 2 coordinators with heavy administrative loads under the block grant who pursued their work cheerfully and with little sense of burden, and who told us, "That's my job," or the equivalent.

This pattern was partly explained by the fact that Chapter 2 coordinators with heavier administrative loads, who were typically in the larger districts, also had part or all of their salaries paid by Chapter 2 funds--in an almost literal sense, they were paid for their pain!

Although the administrative load associated with each task is low, on average particular tasks are often fairly burdensome under the block grant. Under certain conditions, district personnel are likely to find Chapter 2 difficult to administer, as Table III-2 suggests. Other tasks pose few difficulties for the great majority. In only one instance (very large districts with respect to their interactions with private schools) do more than half of the districts in a size category report a task as "somewhat" or "very" burdensome. However, the table helps to identify particular tasks that are more problematic than others and the types of districts likely to experience them that way.

As the table suggests, filling out applications for block grant funds, planning for programs and purchases, and consulting with parents are less often seen as burdensome, while administering services for private school students, services, evaluating the use of funds, and performing needs assessments more often pose difficulties for administrators.

The table also demonstrates that for some tasks the burdens fall differentially among the different size categories. Administrators in the larger districts experience supervising programs and purchases, accounting for expenditures, and administering services for private school students as more difficult than do those elsewhere.

The nature of the tasks themselves and the size of the district are not the only sources of burden under the block grant. Other factors, especially the state, play a role in the way the district administers Chapter 2. Variability in the way states interpret and administer the block grant, suggested by previous studies (e.g., Kyle, 1983, 1985), was apparent from our visits to the states and obviously makes a difference in the way districts administer their programs (See Turnbull and Marks, 1986 for more detail on state variability). State education agency (SEA) actions have a

Table III-2

DEGREE OF BURDEN ASSOCIATED WITH PARTICULAR ADMINISTRATIVE TASKS UNDER THE BLOCK GRANT, BY SIZE OF DISTRICT

	Percentage of districts indicating that the following tasks were "somewhat" or "very burdensome" under Chapter 2:								
District Size (Enrollment)	Planning for programs/ purchases	Performing needs assessments	Applying for funds	Supervising programs/ purchases	Accounting for expenditures	Reporting to state agencies	Evaluating the use of funds	Administering private school services	Consultation with parents
Very large (25,000 or more)	32	34	23	44	45	27	35	60*	28
Urban	33	36	25	46	48	32	29	66*	23
Suburban	31	31	20	42	42	22	42	54*	34
Large (10,000 to 24,999)	40	35	19	47	42	24	37	44*	31
Medium (2,500 to 9,999)	23	34	20	25	31	30	34	40*	26
Small (600 to 2,499)	22	39	18	29	34	36	34	39*	24
Very small (less than 600)	15	35	13	11	8	22	21	32*	26
All districts	20	36	17	22	23	29	29	40*	25

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* Percentage of those districts with participating private schools only.

Table III-3

ADMINISTRATIVE COSTS COVERED BY BLOCK GRANT FUNDS, BY SIZE OF DISTRICT

District Size (Enrollment)	Percentage of districts with administrative costs charged to to block grant*	Median amount of funds for administrative costs**	Mean percentage of district's total allocation**
Very large (25,000 or more)	76	$34,851	9%
Urban	85	33,311	10
Suburban	63	44,570	8
Large (10,000 to 24,999)	56	3,141	3
Medium (2,500 to 9,999)	17	1,574	5
Small (less than 600)	15	588	7
Very small (under than 600)	4	100	5
All districts	13	950	7

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*Defined as administrators' salaries, if any, and indirect administrative expenses.

**Median amount and mean percentage based on those districts that did put Chapter 2 funds into administration.

great deal of influence on at least the following three aspects of local block grant administration:

- Applications. As noted above, the application form itself, which was designed by the SEA, could vary greatly in complexity. Also, the procedures for reviewing applications vary considerably across SEAs. We visited districts that had been required to revise and resubmit their applications because they lacked sufficient detail or were judged inadequate in other ways by the SEA. More often, applications were simply accepted and merely checked for arithmetical errors or unallowable uses of funds.
- Reporting to the SEA. Some states expected more information from districts than others, for example, complete inventory lists of equipment purchased with block grant funds or expenditure information of various kinds.
- Evaluation. As previously described, some SEAs required little or nothing from their districts in the way of evaluative information, while others expected annual evaluations of varying complexity.

Administrative Costs

We distinguished burdens from administrative costs, but once again attempted to determine whether these costs presented a problem to districts. A majority of larger districts (enrollments of 10,000 or more) charge some or all of their administrative costs to the block grant. Otherwise, the costs of administering the block grant are usually borne by the school district. However, across all sizes of district, relatively few respondents complained about unreimbursed administrative costs. For most school districts, regardless of whether and how much government pays for administration, the unreimbursed costs do not contribute in an obvious way to a sense of burden.

Although there are limitations to the data we could get through the mail survey, we were able to learn whether Chapter 2 funds went toward administration and, if so, how much. We then generated a rough estimate of these costs by asking whether Chapter 2 funds were used to pay administrative salaries or to defray indirect administrative costs.* Table III-3 shows the proportion of districts that charge administrative expenses to the block grant. Overall, a relatively small proportion of total local Chapter 2 funds goes to these administrative costs--about 5.4% of these funds nationwide (see Knapp and Blakely, 1986).

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*The "total administrative cost" = administrators' salaries + indirect costs. These figures do not include secretarial costs, which may have figured in the "noncertificated personnel" line. However, "administrators' salaries" is also likely to include some expenditures for actual delivery of services (like staff development).

We also inquired about burdens attributed to unreimbursed costs of administering local operations overall and services for private school students in particular. As we note in Table III-4, relatively few districts complain about these costs.

The fact that unreimbursed administrative costs are seldom perceived as a problem can be explained in several ways. For one thing, in most districts (especially smaller ones), managing the block grant funds accounts for a small proportion of the Chapter 2 coordinator's time--too small to generate much sense of burden. Moreover, administering the uses of Chapter 2 funds is often so closely connected with routine functions associated with other federal or local programs that respondents were unable to easily distinguish (and hence complain about) the portion of their jobs that might have been covered by Chapter 2 funds.

The chief exception to this pattern is the matter of administering services for private school students in larger districts. In these settings, which typically include many private schools, the time and expense of managing private school services can be quite large. Understandably, districts might be concerned about this issue (between a fifth and a quarter view that as a problem). The perception of difficulty seems especially acute in those districts experiencing an increase in the number or proportion of private schools whose students participate, and a corresponding increase in the proportion of federal funds directed to them (see Cooperstein, 1986, for a more detailed discussion).

Burden Reduction Under the Block Grant

As perceived by those with overall administrative responsibility for Chapter 2, the absolute level of administrative burden under the block grant

Table III-4

PERCEPTIONS OF UNREIMBURSED ADMINISTRATIVE COSTS AS A PROBLEM, BY SIZE OF DISTRICT

District Size (Enrollment)	Percentage of districts indicating that unreimbursed costs are a problem ...		
	(a) Overall	(b) For private school portion*	Either (a) or (b)
Very large (25,000 or more)	12%	23%	23%
Urban	11	22	22
Suburban	12	24	24
Large (10,000 to 24,999)	11	25	23
Medium (2,500 to 9,999)	10	16	14
Small (600 to 2,499)	5	3	6
Very small (under 600)	1	0	1
All districts	5	10	6

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*These percentages are based only on those districts serving private school students under Chapter 2.

is low. The relative burden reportedly is low also: most mail survey respondents indicated that burdens were smaller under Chapter 2 than under the antecedent programs, although a substantial minority--approximately a third--thought the burdens were the same. The short answer to the question "Has Chapter 2 reduced administrative burden?" is simply: it has.

Mail survey data summarize the basic pattern succinctly. Table III-5 presents, by size of district, the absolute level of burden averaged across the nine kinds of administrative tasks.

Table III-5

OVERALL LEVEL OF ADMINISTRATIVE BURDEN DISTRICTS EXPERIENCE UNDER THE BLOCK GRANT, BY SIZE OF DISTRICT

District Size (Enrollment)	Percentage of districts above midpoint on the "burdensome" scale*	Mean rating of burden across all administrative tasks**
Very large (25,000 or more)	27	2.20
Urban	31	2.18
Suburban	26	2.22
Large (10,000 to 24,999)	32	2.20
Medium (2,500 to 9,999)	19	2.07
Small (600 to 2,499)	18	2.06
Very small (less than 600)	7	1.71
All districts	14	1.92

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* Midpoint on the scale is 2.5; hence, in the districts falling into this column, the average rating across the nine administrative tasks was that the task was "somewhat" or "very" burdensome.

** Based on the nine tasks listed earlier in this section in "Local Administrative Tasks Under the Block Grant and the Load Associated with Them."

By comparison with the antecedent programs, respondents tended to report that the block grant had reduced administrative burdens, as seen in Table III-6 below. Very few felt that burdens had increased. Because respondents across all size categories felt about the same, we have not broken out this table by district size.

TABLE III-6

CHANGE IN ADMINISTRATIVE BURDEN FROM ANTECEDENT PROGRAMS TO THE BLOCK GRANT

	Percentage of districts* reporting that burdens under Chapter 2 are...
... Smaller	58
... The same	37
... Greater	5
	(100%)

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[*] Excluding cases in which the respondent had no prior responsibility for antecedent programs.

These perceptions are borne out by the change in actual administrative activities, to the extent we were able to learn about them. Take, for example, the matter of applying for funds, the simplest and clearest case of burden reduction. Before Chapter 2, district officials had to fill out separate applications (in most programs, the application was a competitive grant proposal) for each antecedent program in which the district participated; the applications for such programs as ESEA Title IV-C, ESAA, and Teacher Corps were often detailed and lengthy.

Even though different people might be involved in preparing applications, the effort to complete them was considerable. We note in Table III-7 the average number of antecedent programs in districts of each size category. The implication for simplifying the process of aquiring funds is clear.

TABLE III-7

AVERAGE NUMBER OF ANTECEDENT PROGRAMS, BY SIZE OF DISTRICT

District Size (Enrollment)	Average number of antecedent programs in 1981-82
Very large (25,000 or more)	2.4
Urban	2.6
Suburban	2.1
Large (10,000 to 24,999)	1.7
Medium (2,500 to 9,999)	1.4
Small (600 to 2,499)	1.2
Very small (under 600)	1.1
All districts	1.3

Why is it considered less burdensome to administer activities under the block grant? The general answer emerging from site visit interviews was remarkably consistent: less has to be done to satisfy state and federal requirements under the block grant than under most of the preceding programs. The exception was ESEA Title IV-B, which in most states had administrative requirements much like those now found in Chapter 2. Compared with other antecedent programs, Chapter 2 has fewer reporting and paperwork requirements of all kinds, as the above discussion of applying for funds implies.

But why do a substantial minority of coordinators report that the level of administrative burdens is the same? There are several answers to this. First, many districts (64%) participated only in ESEA Title IV-B, and the administration of the block grant often operates like that of an extension of that program. Although Chapter 2 has fewer requirements than Title IV-B in some respects (for example, there are no references to disadvantaged children in the block grant regulations; the range of purchases under Title IV-B was more constrained), in many instances it is perceived as comparable at the local level. Second, for some districts, there are counterbalancing burdens--e.g., less paperwork but more time consulting with private schools. Third, whether or not Chapter 2 brought changes in what had to be done, the absolute level of burden under the block grant or the antecedent programs has usually been so low that respondents perceive little difference between the two.

Summary

Our analyses in this section can be summarized as follows: First, with regard to the nature of local administrative tasks under the block grant and the administrative load associated with them, we found that:

(1) The following administrative tasks under Chapter 2 could involve a significant amount of paperwork at the local level: applying for funds, accounting for expenditures, reporting to state and federal agencies, evaluating local uses of the funds, and administering services for private school students. Other tasks (performing needs assessments, planning for programs and purchases, supervising programs or purchases, and consulting with parents or other citizens) typically involved less paperwork, but could absorb a substantial amount of an administrator's time.

(2) District officials consider the administrative load associated with each of these tasks to be low (or at least, not very burdensome) in the majority of districts.

(3) Some administrative tasks, under certain conditions, tend to pose significant burdens--for example, administering services for private school students in larger districts.

(4) State interpretation of federal block grant requirements accounts for much of the variation in burdens associated with tasks that the state education agency influences most directly: applying for funds, reporting and accounting for expenditures, and evaluating the uses of funds.

Second, regarding local administrative costs under Chapter 2, we found that:

(5) Most districts of enrollment under 10,000 do not charge administrative costs (defined as the sum of administrators' salaries and indirect administrative costs) to the block grant. More than half of the larger districts (and three-quarters of the largest) use some of their Chapter 2 funds to cover these kinds of expenses.

(6) Nationwide, 5.4% of total Chapter 2 funds in 1984-85 at the local level went to administrative costs. The average (median) annual amount districts allocated to these expenses range from $34,851 in the largest districts to $100 in the smallest.

(7) Lack of reimbursement for administrative costs is not widely perceived as a problem among districts. Approximately, a fifth of the larges districts indicate so, both with respect to overall administration of block grant activities and the administration of services for private school students.

Third, with regard to change in administrative burdens since antecedent programs, our analyses indicate that:

(8) The block grant has generally reduced the burdens administrators experience and (to the extent we could determine) their actual workload, by comparison with antecedent programs. (There are important exceptions for particular tasks, such as administering services for private school students.)

(9) A substantial minority of district administrators indicate that burdens have not changed significantly with the coming of the block grant. These responses are explained by the low level of burden to begin with, the number and complexity of the antecedent programs a district had to begin with, and the fact that for some districts simplification of some administrative tasks was offset by increased complexity in others.

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IV ENHANCEMENT OF LOCAL DISCRETION

In this section we consider evidence relating to the achievement of the third major federal goal: the enhancement of local discretion. We first present findings regarding the degree of flexibility local recipients feel they have under Chapter 2 to establish and implement the programs they wish. We then relate these perceptions to decisionmaking under antecedent programs. Finally, we examine whose discretion at the local level is and is not enhanced under the block grant.

Local Flexibility Under the Block Grant*

The general thrust of our evidence is that the block grant mechanism constrains local discretion relatively little. We first inquired about the degree of flexibility and constraint under the block grant without reference to prior programs. We asked respondents what influenced local decisions the most, what were the most important contributions of the block grant, how block grant funds related to local priorities, and in what ways (if at all) federal or state actions limited local choices. We also determined the numbers and kinds of uses for block grant funds. The results form a consistent pattern.

Across districts, block grant funds support a great variety of activities approximating the full range of permissible uses listed in the law (and displayed in Section I of this report), although certain types of activity, such as the introduction of computers into the instructional program, are common to many districts. Within each district, Chapter 2 funds often contribute to very different kinds of activities (except within the smallest districts, where the small amount of block grant funds makes support for more than one activity unrealistic). The list of Chapter 2-supported activities in the following three districts (during the 1984-85 year) illustrates a diversity of use that is commonly found under the block grant:

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*A discussion of this topic, with emphasis on the interaction between local actions and state or federal constraints, appears in another report from the National Study (Turnbull and Marks, 1986).

District in a small midwestern city: (Total Chapter 2 allocation: $82,557)	. Computer lab . Library/media center support . Software, staff development, and planning for computer program . Teacher goal-setting workshop . Participation in a 5-district drug prevention consortium . Curriculum development in critical thinking skills . Study skills testing
Medium-sized district in Appalachia: (Total Chapter 2 allocation: $29,610)	. Library/media center support . Staff development workshop for administrators . Community education program . Participation in a consortium of nearby districts supplying various services
Small rural district in the Northeast: (Total Chapter 2 allocation: $10,401 + some carryover funding)	. Materials and group leaders for extracurricular clubs . Books, materials for an Early Education Resource Center . Computer hardware/software . Curriculum development project on the experiential aspects of learning . Musical equipment

The range of activities supported by Chapter 2, both within and across districts, is testimony to the flexibility of this funding source.

In deciding how to use their funds, the majority of coordinators in districts of all sizes report that local priorities were an important determining factor and that one of the block grant's accomplishments is to provide funds for local priorities. Table IV-1 summarizes these results (because the pattern is so consistent across size categories, we do not disaggregate the table).

Table IV-1

USE OF CHAPTER 2 FUNDS FOR LOCAL PRIORITIES

Chapter 2 coordinator indicates that ...	Percentage of all districts nationwide	Rank order of this response
...Local priorities are an important factor in decisions about the use of funds	82%	1*
...One accomplishment of the block grant is to provide funds for local priorities	69%	3**

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*The most frequently noted response out of 10 possibilities.

**The third most frequently noted response out of 12 possibilities.

External constraints generated by state actions or federal requirements play relatively little role in decisions. Analyses reported elsewhere in the National Study (Turnbull and Marks, 1986) show that district officials do not seem to perceive big, substantive limitations on what they can do with block grant funds, although they recognize the restriction on noninstructional uses (one Chapter 2 coordinator, for example, had refused a school librarian's request for a lettering machine because it was intended for office work only). Between a quarter and a third of the survey respondents reported that state or federal actions limit what they do with Chapter 2 funds, as shown in Table IV-2, but less than half that percentage indicate they would prefer less guidance from above.

Respondents differed on whether they thought the block grant funds were more or less flexible than, or about the same as, regular district funds. As reported elsewhere (Turnbull and Marks, 1986), in approximately a third of all districts, Chapter 2 funds enable administrators to do what they would otherwise find difficult--e.g., trying out new instructional

Table IV-2

PERCEIVED STATE AND FEDERAL CONSTRAINTS ON LOCAL CHAPTER 2 FUNDS

Chapter 2 coordinators indicate...	Percentage of districts nationwide
a. State Constraints	
... Their uses of Chapter 2 funds are limited by state regulations or guidelines	30
... and they desire less state intrusion*	5
b. Federal constraints	
... Their uses of Chapter 2 funds are limited by federal regulations or guidelines	25
... and they desire less federal guidance*	11

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[*] Percentage of districts indicating both that their uses were limited by state or federal guidance and that they wished they had less guidance.

approaches (such as computers) in districts where local funds are used conservatively. Nearly as large a percentage of coordinators indicated that block grants were less flexible than local funds, reflecting concerns about possible supplanting violations and recognition that the funds were restricted to particular educational uses (however, as pointed out in the above-referenced report, this lack of flexibility did not constrain local decisionmaking much).

The fact that most local priorities can be accommodated within the authorized purposes of Chapter 2 and the lack of external constraints are the chief sources of the block grant's flexibility. During site visits, our respondents were quick to point this fact out to us and to indicate how much they appreciated the flexibility. The superintendent in a large Southern district that gained funds observed, in the same spirit as many officials we interviewed:

> "I wish all federal programs had the flexibility Chapter 2 has. I feel that I know better than anyone else what our needs are. Yet most federal programs require everyone to do the same thing, no matter what their needs."

And in a rural Appalachian site that had lost funds relative to antecedent programs:

> "We've been hurt financially by Chapter 2, but if it had to happen, I've been personally glad--mind you I'm speaking as a conservative--that we have the flexibility to pick and choose the programs."

Change in Flexibility from Antecedent Programs

Many district coordinators (in approximately half of the districts responding to the mail survey) perceive Chapter 2 as more flexible than antecedent programs. In most other districts, respondents see no change. A small proportion of district coordinators (lower than 10% in almost all size categories) feel their flexibility has been reduced.

Because these judgments depend on the antecedent programs a district had before Chapter 2, we present in Table IV-3 the patterns categorized by several of the larger antecedent programs. Although the general pattern is similar, programs with more complex programmatic requirements, such as ESAA or ESEA Title IV-C, tend to seem less flexible by comparison with Chapter 2 than programs such as Title IV-B that more nearly resembled the block grant.

Table IV-3

FLEXIBILITY UNDER CHAPTER 2 VERSUS SELECTED ANTECEDENT PROGRAMS

Chapter 2 coordinators* consider Chapter 2...	Compared with selected antecedent programs, in the following percentage of districts (that had each program)		
	Title IV-B	Title IV-C	ESAA
More flexible	46	65	65
About the same	53	27	27
Less flexible	1	5	8
	100	100	100

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*Excluding coordinators who did not have responsibility for these programs.

Although they perceive their flexibility to have increased (or to have been wide to begin with), district officials have not always acted on their perceptions. It is not unusual to find that programs formerly supported by antecedent funds have continued in some form or other under Chapter 2. Existing antecedent programs are an important influence on spending decisions (see Apling and Padilla, 1986); more often than not, an activity area supported under antecedent programs in the 1981-82 school year was still being funded with block grant funds 3 years later (see Turnbull and Marks, 1986). Nonetheless, compared with the situation under antecedent programs, the range of activities supported by block grant funds appears to have increased, on average, for all district size categories, as shown in Table IV-4.

Several examples illustrate the pattern:

- The Chapter 2 coordinator in a medium-sized district that had opted to stay with its antecedent programs observed, "Although we stayed with the programs we had before, we feel that we have more flexibility. For example, we are considering putting some money into this computer idea. We couldn't have done that before."

- A large Western district that formerly had Title IV-B, IV-C, Career Education, and community schools funding aimed its Chapter 2 grant at similar purposes plus a diverse array of small projects (teacher minigrants, computer applications, a drug abuse program, etc.) following the new superintendent's philosophy that the block grant was a means to experiment.
- In a district in a small midwestern city, Chapter 2 funds made it easier to justify a major venture into computer education, in addition to library support (the only form of antecedent funding was under ESEA Title IV-B), a curriculum development project, and participation in a drug abuse consortium.

Table IV-4

NUMBER OF ACTIVITY CATEGORIES SUPPORTED BY CHAPTER 2 AND ANTECEDENT PROGRAMS, BY SIZE OF DISTRICT

	Average number of major activity categories* supported by...	
Size of District (Enrollment)	...Antecedent program funds in 1981-82	...Chapter 2 funds in 1984-85
Very large (25,000 or more)	3.8	4.8
Urban	3.9	4.9
Suburban	3.8	4.7
Large (10,000 to 24,999)	2.5	4.0
Medium (2,500 to 9,999)	2.1	2.9
Small (600 to 2,499)	1.6	2.4
Very small (less than 600)	1.3	1.9
All districts	1.9	2.3

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*Out of a total of seven possible categories.

Many factors have contributed to this pattern of change. The combination of increased funds (for most districts), the broader range of authorized purposes, and the lessening of external constraints (such as the former state monitoring of Title IV-C projects) have contributed widely to the perception of greater flexibility and to actual departures from earlier programs.

Where respondents see no difference in flexibility between the block grant and antecedent programs, the explanations parallel those described in Section III regarding change in administrative burdens: under the block grant, these administrators feel able to do what they have always done. In the case of those districts reporting less flexibility under the block grant, a sharp reduction in funding was often the principal explanation, in combination with binding commitments, such as the implementation of a court-ordered desegregation plan. For example:

- A large urban district in the Midwest experiencing large losses in former ESAA funds described its flexibility as "zero." Although aware that they are permitted to do more things with the money than ESAA allowed, district officials feel they are bound to maintain previous commitments at minimal levels.

Whose Discretion? Over What Decisions?

The block grant was designed not only to enhance local discretion vis-a-vis state or federal influence but also to promote a broad-based consultation process among those closest to the education of children: principals, teachers, and parents. The global perceptions of flexibility just described mask important differences in degree of involvement and influence among local participants and blur distinctions among the types of decisions they might influence. It is possible, for example, that certain kinds of participants found increased room to maneuver, while others experienced little flexibility or were effectively excluded from decisionmaking. Along these lines, some research has suggested that the block grant mechanism tends to provide a few district officials with a small source of discretionary funds, while not inviting significant input from others, especially community representatives (Henderson, 1983). We investigated this possibility by gathering information on a variety of role groups that might participate in Chapter 2 decisions and by examining the nature of the decisions themselves.

Allocation Versus Implementation Decisions

When one examines local operations under the block grant firsthand, it quickly becomes apparent that two levels of decision are implied: overall allocation decisions that direct funds to certain uses (e.g., computers rather than elementary guidance) and implementation decisions once activities have been targeted (e.g., which computers do we buy and where will they be located?). The cast of characters and the kinds of influence they wield differ by level. A Chapter 2 coordinator in a small midwestern city described the process in a way that captures a widespread pattern among districts of all sizes:

> "When we received notice of the amount of Chapter 2 money, we started a process with several steps. First, the executive cabinet [superintendent, assistant superintendent for instruction, business officer, and several other high administrators] looked at it and we made general decisions. We talked about educational TV but saw the computer education need. Second, we brought in the special projects coordinator, who set up a planning committee to develop a plan. We thought this was the new thing, the wave of the future. We didn't know for sure until the committee studied it and developed a plan. Third, we put it to the Curriculum Committee of the Board, and through them to the whole Board."

The allocation decisions tend to be made at the district office level and are more formal, involving at least nominal consultation with various parties and often other mechanisms such as needs assessments. Implementation decisions more often are made less formally by school staff as they design and conduct the activities to which Chapter 2 funds contribute, although some of the planning for implementation may happen in districtwide committees, as in the example above.

At either level, Chapter 2-related decisions are likely to be part of a larger, ongoing decision process, as described in two other reports from the National Study (Knapp and Blakely, 1986; Blakely and Stearns, 1986). For example, districts tend not to establish distinct Chapter 2 decisionmaking bodies, but prefer to use existing mechanisms such as a Chapter 1 program advisory committee, a district curriculum planning group, or the superintendent's cabinet. In other words, the block grant is likely to support existing patterns of influence and participation rather than create new ones.

Some Have Flexibility, Others Don't

Because of the tendency to reinforce existing patters of influence and participation, it is not surprising that a small set of decisionmakers in the district office typically exert the greatest control over allocation decisions. Our fieldwork identified the following patterns among districts regarding the way decisions are made about the uses of block grant funds:

- One-person show. In many districts, especially in smaller or medium-sized ones, a single individual is the driving force behind allocation decisions. In some cases it is the superintendent (or assistant superintendent) who sees Chapter 2 money as an opportunity to set a particular program in motion or otherwise contribute to a high-priority activity. More often, the Chapter 2 coordinator, by virtue of position and administrative assignment (which may derive from an antecedent program responsibility), exerts primary control over these decisions and other aspects of the decisionmaking process--for example, who is kept informed about the availability or amount of block grant funds.

- District-level insiders' group. Typically through informal consultation, the Chapter 2 coordinator and several other key administrators--some with responsibility for federal/state programs, others from line administration, perhaps including the superintendent)--discuss possibilities for the use of the funds and arrive at some consensus among themselves; they subsequently "sell" the idea to others, whose acquiescence is necessary for the idea to be implemented.

- Districtwide committee. In some instances, a powerful districtwide committee speaks for Chapter 2 funds and effectively gains control over them. We saw this most dramatically illustrated in the

> case of committees set up under one or another antecedent program, as in the case of a districtwide librarians' committee in a suburban midwestern district, described as follows: "The librarians are very possessive about their Chapter 2 money in this district. They would be extremely agitated if the district would choose to put the funds into other areas. The district would have a mutiny on its hands." (The Chapter 2 coordinator had suggested other uses but gave in to the librarians' pressure.)

This nucleus of district-level decisionmakers might or might not involve others, depending on existing traditions and mechanisms of decisionmaking or the internal politics of the district. Although mail survey responses indicate that a formal needs assessment plays an important role in a third of the districts nationwide, our fieldwork suggests that these assessments are less often an influential factor. As often as not, we found evidence that the core group attempts to limit others' participation in these decisions, for fear of losing control of the process. These decisionmakers typically are well aware of the wide range of potential uses for block grant funds but do not wish to go through a protracted process of considering all possibilities, preferring instead to focus more quickly on a few options they believe are most important. Centralized control of decisionmaking (at least for allocation decisions) also seems to be associated with those districts that use block grant funds to stimulate innovations. A superintendent described his interest in the block grant in these terms: "I can use these funds to get things going. I put out the original idea, but leave the implementation to district administrators."

We found relatively little evidence of extensive consultation with school staff about how to allocate the block grant funds, even though a teacher or principal often was a member of the relevant district committee. There was, however, considerable difference by size category; in smaller districts, teachers apparently played a more central role in allocation decisions (see Knapp and Blakely, 1986). The more usual scenarios resembled the following situation described by a principal in a large district located in a small midwestern city:

> "You know, I have this question. Why did the district decide on computers versus staff development? Probably, what happens: someone is in the right place at the right time. I'm not complaining, but we don't always look at all options. [With this decision] I got the feeling the decision had been made. No one asked me: 'Hey, what do you want done with this block grant money?'"

Typically, school board members were not active participants in Chapter 2-related decisionmaking. Few of the school board members we interviewed, for example, had detailed knowledge of what Chapter 2 funds supported; some were not sure what Chapter 2 was (it was not unusual for interviewees to have been briefed on Chapter 2 by district office staff before our site visit). As the more detailed analyses in other reports from this study suggest (see Knapp and Blakely, 1986), the board's role was generally to approve recommendations brought to it by district administrators, rather than to debate the uses of funds. A board president in a suburban district spoke for many districts as she described her board's relationship to Chapter 2:

> "As for our involvement with Chapter 2, the only thing is the application each year. It comes as a recommendation to us to approve. There was never an instance to say what should go into the program. The Board does not really have much input. We think that's why we hire our top administrators. People are not much concerned with little pots of money."

Similarly, parents and other community members tend to have little direct role in allocation decisions. As we report in greater detail elsewhere (see Blakely and Stearns, 1986), the modal patterns are for parents to have virtually no involvement or to be "represented" on planning committees by one or two interested individuals. (Once the allocation decisions have been made, it is not unusual for knowledgeable parents or citizens to be called in to advise on the details of program implementation, such as the type of computer purchase.) The reasons for this low level of activity include the small amounts of funding under the block grant (relative to other federal, state, or local funding sources), the traditional distance between schools and the community, the limited efforts made by many districts to involve parents or citizens and the use of Chapter 2 funds as partial support for larger programs. Together, these factors tend to make the block grant relatively invisible to parents and citizens.

However, as described in detail in the above-referenced report, parents and citizens exert indirect influence on decisions, most importantly by the way district (and school) administrators respond to community sentiments and advocacy pressures. There is much evidence that both allocation and implementation decisions reflect the district's efforts to be responsive to what they perceive as the community's needs.

The fact that these groups--school staff, school board, and parents or other citizens--appear to play a less important role in decisions about the use of Chapter 2 funds is not a necessary consequence of the block grant mechanism. In principle, these groups could be involved more heavily, but that would be likely only in districts that have already established traditions or ways of involving these groups. Although the language of the law appears to encourage broad-based participation in these decisions, it usually does not take place.

Flexibility in Implementation Decisions

Implementation decisions are a somewhat different matter. There, the story is as varied as the activities supported by block grant funds and the arrangements districts have evolved for carrying out their instructional programs. Nonetheless, some generalizations can be made.

First, implementation decisions typically are left to school staff, or else to district personnel whose role includes program design, supervision of school staff, staff development, or the like (we encountered many such people in our fieldwork--for example, district computer education coordinators, inservice training staff, gifted-and-talented coordinators, or media supervisors). These kinds of district-level staff were more likely to be involved in larger districts or in the implementation of larger or more complex Chapter 2-supported projects.

Second, the block grant mechanism or requirements have little to do with the level of involvement or the constraints on the discretion of these people. People become involved by virtue of their position (e.g., school librarians choosing particular materials to purchase) or because they seize the opportunity (or are assigned) to carry out what others have decided.

Third, neither school board members nor parents tend to be actively involved in implementation of block-grant-supported activities, except that it is not unusual to find an interested individual or two from the community participating, for example, on a planning committee or in school-level "booster" activities related to, or as volunteers in, a computer lab or gifted students' programs (see Blakely and Stearns, 1986).

Summary

The analyses presented in this section support the following findings. First, regarding local flexibility under the block grant, we found that:

(1) The block grant mechanism constrains local discretion relatively little. Chapter 2 funds support a wide range of activities, both across and within districts, that in aggregate approximate the full range of permissible uses authorized by ECIA.

(2) State and federal requirements and guidance play little or no role in limiting what districts do with their Chapter 2 funds. Of those districts that perceive such limitations, few wish less guidance from higher levels of government. Limitations are generally seen as having little to do with educational substance.

(3) Districts split on whether they viewed block grant funds as more or less flexible than local district funding--a third of the coordinators considered them more flexible, nearly as many said less.

Second, regarding changes in flexibility since antecedent programs, we found that:

(4) Approximately half of the districts felt that block grant funding and requirements were more flexible than the programs that preceded it; most of the rest felt there had been little change. (A small proportion of districts, which lost large amounts of money from antecedent programs, indicated that their flexibility was greatly reduced, especially where desegregation mandates persisted.)

(5) The perceptions of change depended on what antecedent program was used as the reference point. More complex programs like ESEA Title IV-C and ESAA were considered less flexible than the block grant more often than Title IV-B, which Chapter 2 resembles.

(6) Although they perceive their flexibility to have increased, district decisionmakers often fail to take advantage of the wider latitude afforded by Chapter 2.

(7) Overall, however, the range of activities supported by the block grant (across all districts) is greater than what prevailed under antecedent programs.

Third, with regard to the relative role of different groups in local decisionmaking about the block grant, we found that:

(8) Some groups experience flexibility under the block grant more than others. One or a few district-level administrators (e.g., the Chapter 2 coordinator, the superintendent, or an existing committee of some kind) typically control decisions about the uses of funds; school staff, school board members, and parents or other community members tend to have relatively little role in these decisions.

(9) The core decisionmaking group in the district office may involve others in a more advisory capacity, but their influence is generally weak. Key decisionmakers may, in fact, take steps to limit the potential involvement of others in the decisionmaking process.

(10) Decisions about the implementation of Chapter 2-supported activities more typically are the province of school staff, although district staff may play an important role, for example, in planning, design, or supervision. The school board and parents generally have little to do with these implementation decisions.

(11) At the level of implementation, participation and influence patterns are as varied as the activities Chapter 2 supports and the local arrangements for carrying out instructional programs. The block grant mechanism exerts little or no constraint on these processes, nor does it stimulate broad-based participation in implementation.

V CONCLUSIONS

In this section we summarize our findings about the achievement of federally legislated goals for the block grant and interpret these findings from the broader perspective of the National Study of Local Operations Under Chapter 2 and in the context of other programs and federal concerns.

Achievement of Legislative Goals at the Local Level

The preceding analyses have concentrated on three legislative goals: educational improvement, reduction of local administrative burden, and enhancement of local discretion. As of the third year of the block grant, those goals have been achieved, at least to some degree. We review briefly the highlights of our findings with respect to each.

Educational Improvement

We analyzed "improvement-oriented activity" under the block grant, a category of activity in which we include any effort to upgrade equipment and materials, develop curricula, train or add to staff, innovate or experiment with instructional approaches and programs, or stimulate schoolwide coordination and planning. We assumed that "improvement" was more likely to occur where we found evidence that something (e.g., materials or staff) had increased, new or different approaches were being tried, the activities were related to the central academic mission of the schools, and the activities were associated with widely agreed-on conditions for student learning (motivation, time spent on task, etc.). In assessing whether Chapter 2 had contributed to the improvement, we looked for evidence that what the block grant purchased could not have been supported in other ways and that this support was not trivial.

We found that Chapter 2 is making the following kinds of contributions:

- Introducing new kinds of equipment and materials. Block grant funds have fully or partly supported the introduction of computer technology in three quarters of the nation's school districts. Although not yet thoroughly integrated into the instructional program, these computers are being used actively and are generating considerable excitement among students and staff.

- Curriculum development. One-quarter of the nation's school districts are using Chapter 2 funds to develop curricula, particularly in core academic areas.

- Staff renewal. Staff development is being supported with block grant funds in one quarter of all school districts; much of this (in about half the districts using funds for staff development) is for retraining in areas of teacher shortage.

- Schoolwide coordination and planning. Chapter 2 is seldom responsible for stimulating schoolwide planning except under certain circumstances (e.g., where districts fund school minigrants). However, a majority of school districts are supporting what they consider to be "schoolwide improvement activities"; in a smaller proportion of cases (about a quarter of districts nationwide), the funds are contributing to "programs based on effective-schools research," according to survey respondents. Chapter 2 is seldom responsible for stimulating schoolwide planning except under certain circumstances (e.g., where districts fund school minigrants).

- Innovation. District administrators in a majority of school districts view the block grant money as seed money or the means to initiate new programs. These innovations are extremely varied, and tend not to be as structured as under former programs supporting innovations, such as ESEA Title IV-C. However, compared with that program Chapter 2 enables new ideas to be tried out in a wider range of districts, especially among smaller ones.

The magnitude of these improvements often is small, reflecting the proportionately small size of Chapter 2 grants. But local educators describe the improvements as important, often critical, to particular aspects of their instructional programs.

Administrative Burden Reduction

Most districts' administrative burdens under the block grant are low, and they either have been reduced by comparison with antecedent programs or were not very burdensome to begin with. There are important exceptions to this general rule, having to do with certain districts and particular kinds of administrative tasks:

- Greater burdens in larger districts and particular states. Larger districts, especially those with large or growing involvement of private school students in activities supported by the block grant, are especially likely to find certain aspects of administration difficult. Districts whose state departments of education require extensive applications, evaluations, or reports complain about burdens more than districts in other states.
- Burdens associated with serving private school students and evaluating programs. Although the absolute level of burden for all tasks is low, certain kinds of tasks are noticeably more burdensome than others: the administration of the private school component is often a source of difficulty and complaint, as is evaluation (which is more difficult than conventional evaluations of more discrete categorical programs). The application process and the accounting of expenditures, on the other hand, are widely perceived to be simple.

Burden under the block grant is not the same thing as the number of chores to do or the amount of time spent carrying out administrative tasks. Our analyses identify various factors as contributors to a sense of burden: increases in routine administrative tasks where earlier procedures were simpler, a change in the perceived burden-to-benefit ratio, tasks for which there is no local expertise, and excessive external constraint.

Unreimbursed administrative costs generally do not contribute to a sense of burden. Although most districts do cover some or all of the costs of administering Chapter 2 with local funds, few respondents express concern over this issue. Most of the exceptions involve the unreimbursed costs of administering services to private school students.

Enhancement of Local Discretion

Chapter 2 is overwhelmingly perceived as either more flexible than the programs that preceded it or about the same. (In most districts that had ESEA Title IV-B funding, Chapter 2 is seen as equally flexible; in most districts that participated in the other major antecedent programs, Chapter 2 is seen as more flexible.) The perception of flexibility results from several characteristics of the block grant: it has many authorized purposes, few requirements, and funding formulas that give most districts an increase in funding relative to antecedent programs. Districts experiencing large losses in funding tended to feel that their flexibility has been reduced, especially where binding external mandates, such as desegregation court orders, leave little room for choice.

Districts have not always acted on the flexibility that they feel they have under Chapter 2. It is very common for districts to have continued antecedent program patterns (especially ESEA Title IV-B) rather than give alternatives serious consideration. However, by comparison with antecedent programs, districts in all size categories are, on average, using the funds for a wider range of activities now than before the block grant's inception.

Flexibility under the block grant is experienced by certain staff but not others. Typically, a core decisionmaking group consisting of a few district officials (e.g., Chapter 2 coordinator, superintendent or assistant superintendent, and others with a stake in the block grant funds) sets the agenda for most block grant use. Others--principals and occasionally parents--are brought into the decision process in varying degrees. They participate less in allocation decisions (e.g., whether to use the funds for computers or staff development) than in decisions about implementation (e.g., what computers to purchase, where to place them in the school).

Interaction Among the Goals for the Block Grant

Although our analyses have addressed each of the three goals separately, it is important to consider the way the goals--and their achievement--relate to one another. Together, they embody the public "theory" of the education block grant: simplified requirements can simultaneously reduce burden and enhance flexibility; then both reductions in burden and the widening of local discretion promote the achievement of educational improvement by unleashing greater local energies.

Our findings support parts of this general theory. The relatively low level of federal and state requirements under the block grant brings about administrative simplicity and contributes to a sense of flexibility. Further, the exercise of local discretion under Chapter 2 contributes to many instances of local improvement. Where districts have taken advantage of it, the flexibility afforded them has allowed improvement-oriented activities, as defined in this study, to increase. Creative local educators can and do seize the opportunity that the block grant provides.

But simpler administrative arrangements do not necessarily translate into more time and energy for local instructional matters. More often than not, the absence of detailed application, design, and evaluation requirements corresponds to the absence of staff to do these things (our analyses of administrative costs under Chapter 2 indicated that relatively few districts use the funds to support these staff). Also, flexibility by itself does not necessarily stimulate improvement or change: districts seem as likely to continue programs established before as to start new ones.

Putting the Achievement of Legislative Goals in Perspective

Only by viewing Chapter 2's accomplishments in broader perspective can we understand what this form of federal aid has achieved. We must pose several questions: Have we considered all the important criteria for judging the block grant's success? What qualifications must be attached to the overall verdict that Chapter 2 has accomplished its legislative goals? In what ways was some measure of success inevitable, given the design of the legislation? In what ways might success have resulted from outside factors such as broad professional trends or even the prior history of categorical programs?

The answer to the first question begins with the recognition that a federal policy like Chapter 2 has various effects, many of which are not anticipated by federal goal statements, nor even intended. We note below other criteria by which Chapter 2 can be judged (which we take up in other reports emerging from this study):

- The achievement of local goals. Too numerous to mention or even analyze effectively, the particular goals established locally for the use of block grant funds are as important as the more general federal goals.
- Effects on the redistribution of benefits. Chapter 2 has redistributed funding from certain kinds of districts and states to others. The consequences for the populations of students who have potential access to the block grant's benefits are an important basis for judging this program's merit. (See Apling and Padilla, 1986; Knapp and Blakely, 1986.)
- Effects on the balance of benefits between public and private school students. The balance of benefits distributed to the students of public and private schools appears to have shifted subtly under Chapter 2, with private school students gaining somewhat over what they experienced under antecedent programs (see Cooperstein, 1986).
- The implications of the block grant for state educational agencies (SEAs) and intermediate units (IEUs). Although this report has focused on statutory goals at the local level, the block grant is an intergovernmental vehicle. Its implications for the functioning of SEAs and IEUs are another important basis for judging it.*
- The implications of the block grant for particular advocacy interests. There are many constituents for the kinds of activities Chapter 2 supports--some organized around particular student needs (e.g., gifted and talented students), some around broader functions (e.g., desegregation, the involvement of the public in education). How well the block grant responds to these interests is a legitimate basis for assessing it. (We touch on these implications throughout our analyses. Desegregation effects are dealt with more centrally

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*Because our study concentrated on the implementation and effects of Chapter 2 at the local level, we do not have sufficient data to treat these topics adequately. For effects of the block grant at the state level, the reader is referred to Kyle (1983, 1985); GAO (1984); Henderson (1983, 1985).

in Knapp and Blakely, 1986; parent and citizen involvement is the subject of another report: Blakely and Stearns, 1986.)

The federal goals have a special claim to significance because they are stated in the legislation. Our analyses show a picture of success, although with the following caveats:

- The breadth of Chapter 2's contribution to educational improvement may imply dilution of improvement efforts. Many gain, but only a little.
- The block grant's approach to enhancing local discretion often solidifies the position of a few (e.g., district officials) while not actively encouraging the involvement of others, especially at the school level, except in the day-to-day conduct of activities supported by Chapter 2 funds.
- The removal of administrative requirements reduces both the demand on administrative time and the resources to support administrators--who can help in planning, evaluate activities, or supervise and support program staff, as well as fill out forms.

We must also observe that some of the program's success in relation to its legislative goals was virtually automatic. As the law states them and as we have defined them, it is not difficult for the three federal goals to be achieved, at least minimally. By authorizing a wide range of purposes and proscribing state influence over the local use of funds, the state made it very likely that district administrators would find the block grant flexible. The consolidation of numerous programs into a single authorization, combined with the reduction in planning, reporting, and consultation requirements, could not help streamlining the administration of the block grant. The goal of educational improvement is sufficiently broad that it covers many purchases or activities.

On the other side of the coin, the block grant's philosophy and structure are not solely responsible for its successes. Timing and context are also important, and block grant aid came at a time when districts were prepared to make good use of it. One important factor was the surrounding context of educational reform, which energized many districts' efforts to make constructive use of the funding.

Another was the history of categorical programs, which left districts both an array of local projects that were thought worthy of continuing and also a set of procedures for using grant funds. Such devices as ESAA planning committees or minigrant review processes are examples of the procedures that districts have chosen to continue. The coming of Chapter 2 has not meant that districts have forgotten what they learned how to do under more highly specified programs, although evaluation is one area in which districts have tended to discontinue past practices.

Finally, the value of achieving the block grant's goals also presumes that other, targeted programs exist to take care of the pressing educational needs of specific segments of the student population. Chapter 2 is a broad-aim funding vehicle and has generally been used to support activities that benefit a wide spectrum of student needs, but in few instances with sufficient intensity to handle specialized learning needs well. Local educators usually appreciate the block grant's breadth and often feel they have enough other programs to deal with the disadvantaged, limited English proficient, or other target groups. Alongside these programs, the block grant appears to play a useful role (sometimes supplementing them directly). Whether, in their absence, the block grant would be directed to these needs is not clear.

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Appendix A

TECHNICAL NOTE AND STANDARD ERROR VALUES FOR TABLES

Appendix A

TECHNICAL NOTE AND STANDARD ERROR VALUES FOR TABLES

This appendix contains a technical note and tables replicating those in text, including row or column n's and standard error values for means or proportions.

Technical Note

The tables in text and in this appendix are all based on population (or subpopulation) n's, estimated by multiplying raw n's within each cell of the survey stratification grid by the inverse of the sampling fraction (recalculated to reflect nonresponse) and by the inverse of the item matrix sampling fraction. Thus, all percentages, means, and medians in the tables are national estimates. For further detail on sampling and weighting procedures, see the methodological appendix to the main report of the study (Knapp and Blakely, 1986).

Standard Error Values for Tables

Confidence intervals around estimated population means and proportions can be calculated by:

$$+/- 1.96\ (Se_x)\ [p < .05]$$

The significance of differences of non-overlapping samples can be determined from the normally distributed statistic:

$$(M_1' - M_2')\ /\ (Se_1^2 + Se_2^2)^{1/2}$$

where M_1 and M_2 are means (or proportions) and where Se_1 and Se_2 are standard errors of the two samples.

Table A-II-1

COMPUTER-RELATED PURCHASES UNDER ANTECEDENT PROGRAMS AND UNDER CHAPTER 2, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

District Size (n/n)* (Enrollment)	Percentage of districts purchasing computer hardware or software	
	Antecedent programs in the 1981-82 school year	Chapter 2 in the 1984-85 school year
Very large (25,000 or more) (N = 152/160)	37% (4)	85% (2)
Urban (N = 83/91)	29 (4)	85 (2)
Suburban (N = 69/69)	47 (6)	87 (2)
Large (10,000 to 24,999) (N = 461/471)	26 (4)	82 (3)
Medium (2,500 to 9,999) (N = 2,606/3,009)	23 (2)	78 (2)
Small (600 to 2,499) (N = 4,352/5,298)	23 (4)	80 (3)
Very small (less than 600) (N = 4,802/6,517)	13 (5)	62 (5)
All districts** (N = 12,369/15,455)	20% (3)	72% (2)
Proportion of nation's students	.23**	.80**

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* First figure refers to the 1981-82 school year; second figure refers to the 1984-85 school year.

** Districts in each column include the indicated proportion of the nation's total student population.

Table A-II-2

USE OF FUNDS FOR CURRICULUM AND STAFF DEVELOPMENT UNDER ANTECEDENT PROGRAMS AND UNDER CHAPTER 2, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

District Size (n/n)[+] (Enrollment)	Percentage of districts using funds to support...			
	Curriculum development		Staff development	
	Antecedent[*]	Chapter 2[**]	Antecedent	Chapter 2
Very large (25,000 or more) (N = 152/160)[+]	50% (4)	56% (2)	42% (3)	79% (2)
Urban (N = 83/91)	56 (5)	50 (2)	48 (5)	83 (2)
Suburban (N = 69/69)	43 (6)	62 (3)	35 (5)	73 (2)
Large (10,000 to 24,999) (N = 461/471)	33 (3)	49 (4)	29 (4)	68 (3)
Medium (2,500 to 9,999) (N = 2,606/3,009)	26 (3)	33 (2)	22 (2)	40 (2)
Small (600 to 2,499) (N = 4,352/5,298)	17 (3)	25 (3)	10 (2)	27 (3)
Very small (less than 600) (N = 4,802/6,517)	10 (5)	18 (4)	7 (5)	16 (4)
All districts (N = 12,369/15,455)	17% (2)	25% (2)	12% (2)	27% (2)
Proportion of nation's students[++]	.30	.65	.26	.77

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[*] In the 1981-82 school year.

[**] In the 1984-85 school year.

[+] The first figure corresponds to columns 1 and 3; the second figure corresponds to columns 2 and 4.

[++] The districts in each column include the indicated proportion of the total student population nationwide.

TABLE A-II-3

INVESTMENT OF CHAPTER 2 FUNDS IN CURRICULUM DEVELOPMENT, BY SIZE OF DISTRICT

District Size (Enrollment)	Median amount and proportion of 1984-85 Chapter 2 funds invested in curriculum development*	
	Amount	Proportion
Very Large (25,000 or more) (N = 118)	$59,714	15%
Urban (N = 61)	44,792	10
Suburban (N = 57)	78,048	20
Large (10,000 to 24,999) (N = 267)	10,863	10
Medium (2,500 to 9,999) (N = 1,060)	4,200	15
Small (600 to 2,499) (N = 1,275)	1,720	15
Very small (less than 600) (N = 1,137)	1,155	32
All districts (N = 3,857)	2,444	19

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*Medians were calculated excluding districts that put no dollars into this area.

Table A-II-4

USE OF CHAPTER 2 FUNDS FOR SCHOOL-WIDE IMPROVEMENT PROGRAMS OR PROGRAMS BASED ON EFFECTIVE SCHOOLS RESEARCH, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

	Percentage of districts using 1984-85 Chapter 2 funds for...	
District Size (Enrollment)	School-wide improvement programs	Programs based on effective schools research
Very large (25,000 or more) (N = 137/142)*	70% (3)	37% (4)
Urban (N = 81/84)	69 (3)	34 (5)
Suburban (N = 56/58)	71 (4)	40 (5)
Large (10,000 to 24,999) (N = 402/400)	76 (4)	34 (5)
Medium (2,500 to 9,999) (N = 2,407/2,598)	64 (2)	27 (3)
Small (600 to 2,499) (N = 4,272/4,601)	59 (4)	22 (4)
Very small (less than 600) (N = 5,092/4,809)	54 (6)	13 (7)
All districts (N = 12,311/12,550)	58 (3)	20 (3)

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* The first figure corresponds to school-wide programs; the second figure corresponds to effective schools programs.

Table A-II-5

USE OF CHAPTER 2 FUNDS TO START NEW PROGRAMS, AS SEED MONEY, AND TO FUND MINI-GRANTS, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

	Percentage of districts indicating that Chapter 2 funds...		
District Size (Enrollment)	...Allow districts to start new programs	...Are viewed as seed money	...Are used for minigrant programs
Very large (25,000 or more) (N = 161/163)*	67% (2)	47% (3)	15% (2)
Urban (N = 90/93)	59 (3)	45 (3)	17 (3)
Suburban (N = 71/69)	77 (3)	49 (4)	13 (3)
Large (10,000 to 24,999) (N = 459/454)	77 (3)	44 (4)	13 (4)
Medium (2,500 to 9,999) (N = 2,961/2,776)	60 (2)	37 (1)	3 (2)
Small (600 to 2,499) (N = 5,064/4,786)	66 (3)	35 (2)	4 (3)
Very small (less than 600) (N = 6,015/6,031)	44 (3)	16 (2)	2 (4)
All districts (N = 14,661/14,210)	56% (2)	28% (1)	3% (2)

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* The first figure corresponds to columns 1 and 3; the second figure corresponds to column 2.

Table A-II-6

SUPPORT FOR INNOVATIVE OR EXPERIMENTAL PROJECTS UNDER ESEA TITLE IV-C AND THE BLOCK GRANT, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

District Size (Enrollment)	Percentage of districts that... ...Had ESEA Title IV-C funds in 1981-82	...Viewed block grant funds as seed money and/or as a way to start new programs
Very large (25,000 or more) (N = 163/161)*	63% (2)	65% (2)
Urban (N = 92/90)	71 (2)	62 (2)
Suburban (N = 71/71)	54 (3)	68 (3)
Large (10,000 to 24,999) (N = 470/459)	47 (3)	60 (4)
Medium (2,500 to 9,999) (N = 3,003/2,961)	33 (2)	46 (2)
Small (600 to 2,499) (N = 5,230/5,064)	23 (3)	46 (4)
Very small (less than 600) (N = 5,982/6,015)	9 (2)	22 (5)
All districts (N = 14,848/14,661)	20% (1)	37% (2)
Proportion of nation's students**	.45	.54

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* First figure corresponds to column 1; second figure corresponds to column 2.

** The districts in each column include the indicated proportion of the nation's total student population.

Table A-II-7

CONCENTRATION VERSUS DISPERSION OF CHAPTER 2 SUPPORT AMONG SCHOOLS WITHIN THE DISTRICT, FOR SELECTED ACTIVITIES, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

	Percentage of districts using 1984-85 Chapter 2 funds for...			
	...Computer applications		...School-wide improvement efforts	
District Size (Enrollment)	All elementary schools	Some elementary schools	All elementary schools	Some elementary schools
Very large (25,000 or more) (n = 147/137)*	24% (2)	40% (3)	34% (2)	33% (3)
Urban (n = 82/81)	18 (2)	41 (3)	31 (3)	38 (3)
Suburban (n = 64/56)	31 (4)	38 (4)	38 (4)	26 (4)
Large (10,000 to 24,999) (n = 453/402)	42 (4)	27 (3)	54 (4)	19 (3)
Medium (2,500 to 9,999) (n = 2,720/2,407)	51 (2)	19 (2)	43 (2)	13 (2)
Small (600 to 2,499) (n = 4,682/4,272)	49 (4)	14 (3)	38 (4)	15 (3)
Very small (less than 600) (n = 2,042/1,752)	43** (13)	9** (6)	28** (4)	21** (9)
All districts (n = 10,043/8,971)	48** (5)	15** (3)	38** (2)	16** (4)

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*The first figure corresponds to computer applications; the second figure corresponds to school-wide improvement efforts.

**Excluding districts with only 1 school.

Table A-II-8

CHANGE OVER TIME IN THE NUMBER OF ACTIVITY CATEGORIES SUPPORTED

(Standard error values are in parentheses)

	Percentage of districts allocating funds to...	
School Year	...2 or more of the major activity categories	...4 or more
Under antecedent programs:		
1981-82 (n = 12,369)	41% (4)	7% (1)
Under Chapter 2:		
1982-83 (n = 13,062)	48 (2)	10 (1)
1983-84 (n = 14,014)	51 (4)	11 (1)
1984-85 (n = 15,457)	69 (3)	18 (1)

Table A-III-1

OTHER ADMINISTRATIVE RESPONSIBILITIES OF CHAPTER 2 COORDINATORS, BY DISTRICT SIZE

(Standard error values are in parentheses)

		Percentage of districts in which Chapter 2 coordinator is also responsible for...				
District Size (Enrollment)	Average (mean) other areas of responsibility*	Chapter 1 other federal programs	Staff development	Administration of regular inst. program	Libraries, media centers	Business; district budget
Very large (25,000 or more) (N = 161)	1.8 (.04)	67 (2)	9 (1)	15 (1)	11 (1)	3 (1)
Urban (N = 91)	1.7 (.06)	72 (3)	7 (1)	12 (1)	8 (1)	3 (1)
Suburban (N = 70)	1.9 (.07)	62 (3)	12 (2)	19 (3)	14 (2)	3 (1)
Large (10,000 to 24,999) (N = 464)	2.3 (.08)	66 (4)	30 (4)	25 (3)	26 (3)	3 (1)
Medium (2,500 to 9,999) (N = 2,993)	3.0 (.06)	76 (2)	49 (2)	51 (2)	35 (2)	9 (1)
Small (600 to 2,499) (N = 5,322)	3.0 (.11)	66 (3)	49 (4)	57 (4)	24 (3)	30 (3)
Very small (less than 600) (N = 6,517)	3.2 (.22)	59 (6)	48 (6)	59 (5)	34 (5)	51 (6)
All districts (N = 15,457)	3.1 (.10)	65 (3)	47 (3)	55 (3)	30 (2)	33 (3)

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*Out of 7 possible categories of responsibility other than Chapter 2.

Table A-III-2

DEGREE OF BURDEN ASSOCIATED WITH PARTICULAR ADMINISTRATIVE TASKS UNDER THE BLOCK GRANT, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

District Size (Enrollment)	Percentage of districts indicating that the following tasks were "somewhat" or "very burdensome" under Chapter 2:								
	Planning for programs/ purchases	Performing needs assessments	Applying for funds	Supervising programs/ purchases	Accounting for expenditures	Reporting to state agencies	Evaluating the use of funds	Administering private school services	Consultation with parents
Very large (25,000 or more) (N = 154/131)	32 (4)	34 (4)	23 (3)	44 (4)	45 (4)	27 (4)	35 (4)	60** (4)	28 (4)
Urban (N = 84/67)	33 (6)	36 (6)	25 (5)	46 (5)	48 (5)	32 (5)	29 (5)	66** (6)	23 (5)
Suburban (N = 70/64)	31 (4)	31 (6)	20 (4)	42 (4)	42 (4)	22 (4)	42 (4)	54** (7)	34 (5)
Large (10,000 to 24,999) (N = 443/343)	40 (5)	35 (5)	19 (4)	47 (5)	42 (5)	24 (4)	37 (5)	44** (5)	31 (4)
Medium (2,500 to 9,999) (N = 2,939/1,318)	23 (2)	34 (3)	20 (2)	25 (2)	31 (2)	30 (2)	34 (3)	40** (4)	26 (2)
Small (600 to 2,499) (N = 5,107/1,230)	22 (4)	39 (4)	18 (3)	29 (4)	34 (4)	36 (4)	34 (4)	39** (8)	24 (4)
Very small (less than 600) (N = 5,908/402)	15 (6)	35 (7)	13 (4)	11 (5)	8 (3)	22 (6)	21 (6)	32** (27)	26 (6)
All districts (N = 14,551/3,424)	20 (3)	36 (3)	17 (2)	22 (2)	23 (2)	29 (3)	29 (3)	40** (12)	25 (3)

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[*] Second figure corresponds to private school services (column 8); first figure corresponds to all other columns.

[**] Percent of those districts with participating private schools only.

Table A-III-3

ADMINISTRATIVE COSTS COVERED BY BLOCK GRANT FUNDS, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

District Size (n/n)[+] (Enrollment)	Percentage of districts with administrative costs charged to to block grant[*]	Median[**] amount of funds for administrative costs	Mean percentage of district's total allocation[**]
Very large (25,000 or more) (N = 156/118)	76% (2)	$34,851	9% (***)
Urban (N = 87/74)	85 (2)	33,311	10 (1)
Suburban (N = 69/44)	63 (3)	44,570	8 (1)
Large (10,000 to 24,999) (N = 452/251)	56 (4)	3,141	3 (1)
Medium (2,500 to 9,999) (N = 2,823/480)	17 (2)	1,574	5 (***)
Small (less than 600) (N = 4,895/750)	15 (3)	588	7 (1)
Very small (less than 600) (N = 6,284/257)	4 (2)	100	5 (***)
All districts (N = 14,610/1,856)	13 (1)	950	7 (***)

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[*] Defined as administrators' salaries + indirect administrative expenses.

[**] Median amount and mean % based on those districts that did put Chapter 2 funds into administration.

[***] Between 0% and .5%.

[+] The first figure corresponds to column 1; the second figure corresponds to columns 2 and 3.

Table A-III-4

PERCEPTIONS OF UNREIMBURSED ADMINISTRATIVE COSTS AS A PROBLEM

(Standard error values are in parentheses)

District Size (Enrollment)	Percentage of districts indicating that unreimbursed costs are a problem ... (a) Overall	(b) For private school portion*	Either (a) or (b)
Very large (25,000 or more) (N = 155/134)**	12% (3)	23% (4)	23% (3)
Urban (N = 85/70)	11 (3)	22 (5)	22 (4)
Suburban (N = 70/64)	12 (4)	24 (6)	24 (5)
Large (10,000 to 24,999) (N = 439/340)	11 (3)	25 (5)	23 (4)
Medium (2,500 to 9,999) (N = 2,773/1,303)	10 (2)	16 (3)	14 (2)
Small (600 to 2,499) (N = 5,179/1,207)	5 (2)	3 (2)	6 (2)
Very small (less than 600) (N = 5,587/489)	1 (1)	0 (0)	1 (1)
All districts (N = 14,133/3,473)	5% (1)	10% (1)	6% (1)

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[*] These percentages are based only on those districts serving private school students under Chapter 2.

[**] First figure corresponds to columns 1 and 3; second figure corresponds to column 2.

Table A-III-5

OVERALL LEVEL OF ADMINISTRATIVE BURDENS DISTRICTS EXPERIENCE UNDER THE BLOCK GRANT AT PRESENT, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

District Size (Enrollment)	Percentage of districts above midpoint on the "burdensome" scale*	Mean rating of burden across all administrative tasks**
Very large (25,000 or more) (N = 151)	27% (4)	2.20 (.04)
Urban (N = 84)	31 (5)	2.18 (.06)
Suburban (N = 67)	26 (4)	2.22 (.05)
Large (10,000 to 24,999) (N = 442)	32 (5)	2.20 (.05)
Medium (2,500 to 9,999) (N = 2,867)	19 (2)	2.07 (.03)
Small (600 to 2,499) (N = 5,175)	18 (3)	2.06 (.04)
Very small (less than 600) (N = 6,109)	7 (4)	1.71 (.07)
All districts (N = 14,744)	14 (2)	1.92 (.04)

---

* Midpoint on the scale is 2.5; hence, in the districts falling into this column, the average rating across the 9 administrative tasks was that the task was "somewhat" or "very" burdensome.

** Based on the 9 tasks listed earlier in this section in the discussion of "Local Administrative Tasks Under the Block Grant and the Load Associated With Them."

TABLE A-III-6

CHANGE IN ADMINISTRATIVE BURDEN FROM ANTECEDENT PROGRAMS TO THE BLOCK GRANT

(Standard error values are in parentheses)

(n = 12,694)	Percentage of districts* reporting that burdens under Chapter 2 are...
... Smaller	58% (4)
... The same	37 (4)
... Greater	5 (1)
	(100%)

---

*Excluding cases in which the respondent had no prior responsibility for antecedent programs.

TABLE A-III-7

AVERAGE NUMBER OF ANTECEDENT PROGRAMS, BY SIZE OF DISTRICT

(Standard error values are in parentheses)

District Size (Enrollment)	Average (mean) number of antecedent programs in 1981-82
Very large (25,000 or more) (N = 163)	2.4 (.05)
Urban (N = 92)	2.6 (.07)
Suburban (N = 71)	2.1 (.05)
Large (10,000 to 24,999) (N = 471)	1.7 (.05)
Medium (2,500 to 9,999) (N = 3,022)	1.4 (.02)
Small (600 to 2,499) (N = 5,367)	1.2 (.03)
Very small (less than 600) (N = 6,517)	1.1 (.05)
All districts (N = 15,541)	1.3 (.03)

Table A-IV-1

USE OF CHAPTER 2 FUNDS FOR LOCAL PRIORITIES

(Standard error values are in parentheses)

Chapter 2 coordinator indicates that ...	Percentage of all districts nationwide	Rank order of this response
...Local priorities are an important factor in decisions about the use of funds (N = 14,770)	89% (2)	1*
...One accomplishment of the block grant is to provide funds for local priorities (N = 15,363)	69% (3)	3**

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[*] The most frequently noted response out of 10 possibilities.

[**] The third most frequently noted response out of 12 possibilities.

Table A-IV-2

STATE AND FEDERAL CONSTRAINTS ON LOCAL CHAPTER 2 FUNDS

(Standard error values are in parentheses)

Chapter 2 coordinators indicate...	Percentage of districts nationwide
a. State constraints	30% (3)
... Their uses of Chapter 2 funds are limited by state regulations or guidelines (N = 14,748)	
... and they desire less* state intrusion (N = 14,631)	5% (2)
b. Federal constraints	
... their uses of Chapter 2 funds are limited by federal regulations or guidelines (N = 14,748)	25% (3)
... and they desire less* federal guidance (N = 14,593)	11% (2)

---

*Percentage of districts indicating both that their uses were limited (by state or federal guidance) and that they wished they had less guidance.

Table A-IV-3

FLEXIBILITY UNDER CHAPTER 2 VERSUS SELECTED ANTECEDENT PROGRAMS

(Standard error values are in parentheses)

Chapter 2 coordinators consider Chapter 2...	Compared with selected antecedent programs, in the following percentage of districts (that had each program)		
	Title IV-B	Title IV-C	ESAA
More flexible	46 (4)	68 (6)	65 (9)
About the same	53 (4)	27 (6)	27 (7)
Less flexible	1 (2)	5 (3)	8 (6)
	(100%) (n = 4,427)	(100%) (n = 1,878)*	(100%) (n = 328)*

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*Excludes cases in which survey respondent did not have responsibility for the program prior to Chapter 2.

Table A-IV-4

NUMBER OF ACTIVITY CATEGORIES SUPPORTED BY CHAPTER 2 AND ANTECEDENT PROGRAMS

(Standard error values are in parentheses)

Size of District (Enrollment)	Average number of major activity categories* supported by... ...Antecedent program funds in 1981-82	...Chapter 2 funds in 1984-85
Very large (25,000 or more) (N = 143/151)**	3.8 (.22)	4.8 (.06)
Urban (N = 87/86)	3.9 (.39)	4.9 (.09)
Suburban (N = 56/65)	3.8 (.38)	4.7 (.08)
Large (10,000 to 24,999) (N = 384/452)	3.0 (.24)	4.0 (.12)
Medium (2,500 to 9,999) (N = 2,579/2,966)	2.5 (.13)	2.9 (.09)
Small (600 to 2,499) (N = 4,565/5,285)	1.9 (.22)	2.4 (.09)
Very small (less than 600) (N = 3,908/6,509)	1.4 (.29)	1.9 (.09)
All districts (N = 11,577/15,363)	1.9 (.15)	2.3 (.05)

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[*] Out of a total of 7 possible categories.

[**] First figure corresponds to 1981-82 school year; second figure corresponds to 1984-85 school year.

Appendix B

LIST OF ANTECEDENT PROGRAMS

Appendix B

LIST OF ANTECEDENT PROGRAMS CONSOLIDATED INTO THE CHAPTER 2 BLOCK GRANT

	Program Name	Authorization
1.	Basic Skills Improvement (Basic Grant) - Parent Participation - Out of School Program	Title II, ESEA
2.	Metric Education	Part B, Title III, ESEA
3.	Arts in Education	Part C, Title III, ESEA
4.	Preschool Partnership Programs	Part D, Title III, ESEA
5.	Consumer Education	Part E, Title III, ESEA
6.	Youth Employment	Part F, Title III, ESEA
7.	Law-Related Education	Part G, Title III, ESEA
8.	Environmental Education	Part H, Title III, ESEA
9.	Health Education	Part I, Title III, ESEA
10.	Correction Education	Part J, Title III, ESEA
11.	Dissemination of Information	Part K, Title III, ESEA
12.	Biomedical Sciences	Part L, Title III, ESEA
13.	Population Education	Part M, Title III, ESEA
14.	International Cultural Understanding	Part N, Title III, ESEA
15.	School Library Resources	Part B, Title IV, ESEA
16.	Support & Innovation	Part C, Title IV, ESEA
17.	Guidance & Counseling	Part D, Title IV, ESEA
18.	Strengthening State Agencies	Part B, Title V, ESEA
19.	Emergency School Aid (1) Basic Grants to LEAs - New - Continuation	Title VI, ESEA (formerly ESAA)

Program Name	Authorization
(2) Grants to Nonprofit Organizations - New - Continuation	
(3) Magnet Schools - New - Continuation	
(4) Special Projects - Planning Grants (new) - Preimplementation - Out-of-Cycle Grants - Special Discretionary Grants - SEA Grants - Arts	
20. Community Schools - LEA - SEA - Institutions of Higher Education - Nonprofit Organizations	Title VIII, ESEA
21. Gifted & Talented - Statewide Planning - Professional Development - Model Demonstration Projects	Part A, Title IX, ESEA
22. Educational Proficiency	Part B, Title IX, ESEA
23. Safe Schools	Part D, Title IX, ESEA
24. Ethnic Heritage	Part E, Title IX, ESEA
25. Teacher Corps - 1978 Program - 1979 Program	Part A, Title V, HEA
26. Teacher Centers - New - Continuation	Part B, Title V, HEA
27. Follow Through - LEAs (Compensatory Education) - Sponsors - Resource Centers	Part B, Head Start & Follow Through Act (phase in to Chapter 2)
28. Precollege Science Teacher Training	Section 3(a)(1), National Science Foundation Act
29. Career Education	Career Education Incentive Act

Program Name	Authorization
30. Alcohol & Drug Abuse Education	Alcohol & Drug Abuse Act
31. Cities in Schools	Authorization uncertain
32. Push for Excellence	Authorization uncertain

Abbreviations

ESEA - Elementary and Secondary Education Act of 1965, as amended in 1978

ESAA - Emergency School Aid Act (part of ESEA)

HEA - Higher Education Act

Appendix C:

Text of the Federal Law: Chapter 2 of the Education Consolidation and Improvement Act of 1981

EFFECTIVE DATE

SEC. 547. This subtitle shall take effect on October 1, 1981.

Subtitle D—Elementary and Secondary Education Block Grant

SEC. 551. This subtitle may be cited as the "Education Consolidation and Improvement Act of 1981".

CHAPTER 2—CONSOLIDATION OF FEDERAL PROGRAMS FOR ELEMENTARY AND SECONDARY EDUCATION

STATEMENT OF PURPOSE

SEC. 561. (a) It is the purpose of this chapter to consolidate the program authorizations contained in—

(1) titles II, III, IV, V, VI, VIII, and IX (except part C) of the Elementary and Secondary Education Act of 1965;

(2) the Alcohol and Drug Abuse Education Act;

(3) part A and section 532 of title V of the Higher Education Act of 1965;

(4) the Follow Through Act (on a phased basis);

(5) section 3(a)(1) of the National Science Foundation Act of 1950 relating to precollege science teacher training; and

(6) the Career Education Incentive Act;

into a single authorization of grants to States for the same purposes set forth in the provisions of law specified in this sentence, but to be used in accordance with the educational needs and priorities of State and local educational agencies as determined by such agencies. It is the further purpose and intent of Congress to financially assist State and local educational agencies to improve elementary and secondary education (including preschool education) for children attending both public and private schools, and to do so in a manner designed to greatly reduce the enormous administrative and paperwork burden imposed on schools at the expense of their ability to educate children.

(b) The basic responsibility for the administration of funds made available under this chapter is in the State educational agencies, but it is the intent of Congress that this responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under the chapter shall be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because they have the most direct contact with students and are most directly responsible to parents.

AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE

Sec. 562. (a) There are authorized to be appropriated such sums as may be necessary for fiscal year 1982 and each of the five succeeding fiscal years to carry out the provisions of this chapter.

(b) During the period beginning July 1, 1982, and ending September 30, 1987, the Secretary shall, in accordance with the provisions of this subtitle, make payments to State educational agencies for the purposes of this chapter.

(c) Funds available under previously authorized programs shall be available for the purpose of such payments in accordance with section 514(b)(2) of the Omnibus Education Reconciliation Act of 1981.

ALLOTMENTS TO STATES

Sec. 563. (a) From the sums appropriated to carry out this chapter in any fiscal year, the Secretary shall reserve not to exceed 1 per centum for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs. The Secretary shall reserve an additional amount, not to exceed 6 per centum of the sums appropriated, to carry out the purposes of section 583. From the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to 0.5 per centum of such remainder.

(b) For the purposes of this section:

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(1) The term "school-age population" means the population aged five through seventeen.

(2) The term "States" includes the fifty States, the District of Columbia, and Puerto Rico.

STATE APPLICATIONS

Sec. 564. (a) Any State which desires to receive grants under this chapter shall file an application with the Secretary which—

(1) designates the State educational agency as the State agency responsible for the administration and supervision of programs assisted under this chapter;

(2) provides for a process of active and continuing consultation with the State educational agency of an advisory committee, appointed by the Governor and determined by the Governor to be broadly representative of the educational interests and the general public in the State, including persons representative of—

(A) public and private elementary and secondary schoolchildren;

(B) classroom teachers;

(C) parents of elementary and secondary schoolchildren;

(D) local boards of education;

(E) local and regional school administrators (including principals and superintendents);

(F) institutions of higher education; and

(G) the State legislature;

to advise the State educational agency on the allocation among authorized functions of funds (not to exceed 20 per centum of the amount of the State's allotment) reserved for State use under section 565(a), on the formula for the allocation of funds to local educational agencies, and on the planning, development, support, implementation, and evaluation of State programs assisted under this chapter;

(3) sets forth the planned allocation of funds reserved for State use under section 565(a) among subchapters A, B, and C of this chapter and among the authorized programs and projects which are to be implemented, and the allocation of such funds required to implement section 586, including administrative costs of carrying out the responsibilities of the State educational agency under this chapter;

(4) provides for timely public notice and public dissemination of the information provided pursuant to paragraphs (2) and (3);

(5) beginning with fiscal year 1984, provides for an annual evaluation of the effectiveness of programs assisted under this chapter, which shall include comments of the advisory committee, and shall be made available to the public; and

(6) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this chapter); and

(7) contains assurances that there is compliance with the specific requirements of this chapter.

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(b) An application filed by the State under subsection (a) shall be for a period not to exceed three fiscal years, and may be amended annually as may be necessary to reflect changes without filing a new application.

ALLOCATION TO LOCAL EDUCATIONAL AGENCIES

SEC. 565. (a) From the sum made available each year under section 563, the State educational agency shall distribute not less than 80 per centum to local educational agencies within such State according to the relative enrollments in public and nonpublic schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

(1) children from low-income families,

(2) children living in economically depressed urban and rural areas, and

(3) children living in sparsely populated areas.

(b) The Secretary shall approve criteria suggested by the State educational agency for adjusting allocations under subsection (a) if such criteria are reasonably calculated to produce an equitable distribution of funds with reference to the factors set forth in subsection (a).

(c) From the funds paid to it pursuant to sections 563 and 564 during each fiscal year, the State educational agency shall distribute to each local educational agency which has submitted an application as required in section 566 the amount of its allocation as determined under subsection (a).

LOCAL APPLICATIONS

SEC. 566. (a) A local educational agency may receive its allocation of funds under this chapter for any year in which it has on file with the State educational agency an application which—

(1) sets forth the planned allocation of funds among subchapters A, B, and C of this chapter and for the programs authorized by such subchapters which it intends to support, including the allocation of such funds required to implement section 586;

(2) provides assurances of compliance with provisions of this chapter relating to such programs, including the participation of children enrolled in private, nonprofit schools in accordance with section 586;

(3) agrees to keep such records, and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State agency under this chapter; and

(4) in the allocation of funds for programs authorized by this chapter, and in the design, planning, and implementation of such programs, provides for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local agency, with teachers and adminis-

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trative personnel in such schools, and with other groups as may be deemed appropriate by the local educational agency.

(b) An application filed by a local educational agency under subsection (a) shall be for a period not to exceed three fiscal years, may provide for the allocation of funds among programs and purposes authorized by this chapter for a period of three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

(c) Each local educational agency shall have complete discretion, subject only to the provisions of this chapter, in determining how funds the agency receives under this section shall be divided among the purposes of this chapter in accordance with the application submitted under this section.

Subchapter A—Basic Skills Development

USE OF FUNDS

SEC. 571. Funds allocated for use under this subchapter shall be used by State and local educational agencies to develop and implement a comprehensive and coordinated program designed to improve elementary and secondary school instruction in the basic skills of reading, mathematics, and written and oral communication, as formerly authorized by title II of the Elementary and Secondary Education Act of 1965, relating to basic skills improvement, including the special mathematics program as formerly authorized by section 232 of such title.

STATE LEADERSHIP AND SUPPORT SERVICES

SEC. 572. (a) In order to achieve the purposes of this subchapter, State educational agencies may use funds reserved for State programs to make grants to and enter into contracts with local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions—

(1) to carry out planning, research and development, demonstration projects, training of leadership personnel, short term and regular session teacher training institutes; and

(2) for the development of instructional materials, the dissemination of information, and technical assistance to local educational agencies.

Each State educational agency may also use such funds for technical assistance and training for State boards of education.

(b) State educational agencies may support activities designed to enlist the assistance of parents and volunteers working with schools to improve the performance of children in the basic skills. Such activities may include—

(1) the development and dissemination of materials that parents may use in the home to improve their children's performance in those skills; and

(2) voluntary training activities for parents to encourage and assist them to help their children in developing basic skills;

except that such activities conducted in local areas shall be conducted with the approval of and in conjunction with programs of local educational agencies.

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SCHOOL LEVEL PROGRAMS

SEC. 573. (a) In planning for the utilization of funds it allocates for this chapter (from its allotment under section 565) a local educational agency shall provide for the participation of children enrolled in private elementary and secondary schools (and of teachers in such schools) in accordance with section 586. Such plans shall be developed in conjunction with and involve continuing consultation with teachers and principals in such district. Such planning shall include a systematic strategy for improving basic skills instruction for all children which provides for planning and implementation at the school building level, involving teachers, administrators, and (to the extent practicable) parents, and utilizing all available resources in a comprehensive program. The programs shall include—

(1) diagnostic assessment to identify the needs of all children in the school;

(2) the establishment of learning goals and objectives for children and for the school;

(3) to the extent practicable, pre-service and in-service training and development programs for teachers, administrators, teacher aides and other support personnel, designed to improve instruction in the basic skills;

(4) activities designed to enlist the support and participation of parents to aid in the instruction of their children; and

(5) procedures for testing students and for evaluation of the effectiveness of programs for maintaining a continuity of effort for individual children.

(b) The programs described in subsection (a) may include such areawide or districtwide activities as learning centers accessible to students and parents, demonstration and training programs for parents, and other activities designed to promote more effective instruction in the basic skills.

Subchapter B—Educational Improvement and Support Services

STATEMENT OF PURPOSE

SEC. 576. It is the purpose of this subchapter to permit State and local educational agencies to use Federal funds (directly, and through grants to or contracts with educational agencies, local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions) to carry out selected activities from among the full range of programs and projects formerly authorized under title IV, relating to educational improvement, resources, and support, title V, relating to State leadership, title [illegible], relating to emergency school aid, of the Elementary and Secondary Education Act of 1965, section 3(a)(1) of the National Science Foundation Act of 1950, relating to precollege science teacher training, and part A and section 532 of title V of the Higher Education Act of 1965, relating to the Teacher Corps and teacher centers, in accordance with the planned allocation of funds set forth in the applications under sections 564 and 566, in conformity with the other requirements of this chapter.

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AUTHORIZED ACTIVITIES

SEC. 577. Programs and projects authorized under this subchapter include—

(1) the acquisition and utilization—

(A) of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools which shall be used for instructional purposes only, and

(B) of instructional equipment and materials suitable for use in providing education in academic subjects for use by children and teachers in elementary and secondary schools which shall be used for instructional purposes only,

which take into account the needs of children in both public and private schools based upon periodic consultation with teachers, librarians, media specialists, and private school officials;

(2) the development of programs designed to improve local educational practices in elementary and secondary schools, and particularly activities designed to address educational problems such as the education of children with special needs (educationally deprived children, gifted and talented children, including children in private schools);

(3) programs designed to assist local educational agencies, upon their request, to more effectively address educational problems caused by the isolation or concentration of minority group children in certain schools if such assistance is not conditioned upon any requirement that a local educational agency which assigns students to schools on the basis of geographic attendance areas adopt any other method of student assignment, and that such assistance is not made available for the transportation of students or teachers or for the acquisition of equipment for such transportation;

(4) comprehensive guidance, counseling, and testing programs in elementary and secondary schools and State and local support services necessary for the effective implementation and evaluation of such programs (including those designed to help prepare students for employment);

(5) programs and projects to improve the planning, management and implementation of educational programs, including fiscal management, by both State and local educational agencies, and the cooperation of such agencies with other public agencies;

(6) programs and projects to assist in teacher training and inservice staff development, particularly to better prepare both new and in-service personnel to deal with contemporary teaching and learning requirements and to provide assistance in the teaching and learning of educationally deprived students; and

(7) programs and projects to assist local educational agencies to meet the needs of children in schools undergoing desegregation and to assist such agencies to develop and implement plans for desegregation in the schools of such agencies.

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Subchapter C—Special Projects

STATEMENT OF PURPOSE

SEC. 581. It is the purpose of this subchapter to permit State and local educational agencies to use Federal funds (directly and through grants to or contracts with educational agencies, local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions) to carry out selected activities from among the full range of programs and projects formerly authorized under title III, relating to special projects, title VIII, relating to community schools, and title IX (except part C), relating to gifted and talented children, educational proficiency standards, safe schools program, and ethnic heritage program, of the Elementary and Secondary Education Act of 1965, the Career Education Incentive Act, and part B of title V of the Economic Opportunity Act of 1964, relating to Follow Through programs, in accordance with the planned allocation of funds set forth in the applications under sections 564 and 566, in conformity with the other requirements of this chapter.

AUTHORIZED ACTIVITIES

SEC. 582. Programs and projects authorized under this subchapter include—

(1) special projects (as may be determined to be desirable by the State or local educational agencies) in such areas as—

(A) preparation of students to use metric weights and measurements when such use is needed;

(B) emphasis on the arts as an integral part of the curriculum;

(C)(i) in-school partnership programs in which the parents of school-age children participate to enhance the education and personal development of the children, previously authorized by part B of the Headstart-Follow Through Act;

(ii) preschool partnership programs in which the schools work with parents of preschool children in cooperation with programs funded under the Headstart-Follow Through Act;

(D) consumer education;

(E) preparation for employment, the relationship between basic academic skill development and work experience, and coordination with youth employment programs carried out under the Comprehensive Employment and Training Act;

(F) career education previously authorized by the Career Education Incentive Act;

(G) environmental education, health education, education about legal institutions and the American system of law and its underlying principles, and studies on population and the effects of population changes;

(H) academic and vocational education of juvenile delinquents, youth offenders, and adult criminal offenders; and

(I) programs to introduce disadvantaged secondary school students to the possibilities of careers in the biomedical

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and medical sciences, and to encourage, motivate, and assist them in the pursuit of such careers;

(2) the use of public education facilities as community centers operated by a local education agency in conjunction with other local governmental agencies and community organizations and groups to provide educational, recreational, health care, cultural, and other related community and human services for the community served in accordance with the needs, interests, and concerns of the community and the agreement and conditions of the governing board of the local educational agency; and

(3) additional programs, including—

(A) special programs to identify, encourage, and meet the special educational needs of children who give evidence of high performance capability in areas such as intellectual, creative, artistic, leadership capacity, or specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities;

(B) establishment of educational proficiency standards for reading, writing, mathematics, or other subjects, the administration of examinations to measure the proficiency of students, and implementation of programs (coordinated with those under subchapter A of this chapter) designed to assist students in achieving levels of proficiency compatible with established standards;

(C) programs designed to promote safety in the schools and to reduce the incidence of crime and vandalism in the school environment;

(D) planning, developing, and implementing ethnic heritage studies programs to provide all persons with an opportunity to learn about and appreciate the unique contributions to the American national heritage made by the various ethnic groups, and to enable students better to understand their own cultural heritage as well as the cultural heritage of others; and

(E) programs involving training and advisory services under title IV of the Civil Rights Act of 1964.

Subchapter D—Secretary's Discretionary Funds

DISCRETIONARY PROGRAM AUTHORIZED

SEC. 583. (a) From the sums reserved by the Secretary pursuant to the second sentence of section 563(a) the Secretary is authorized to carry out directly or through grants to or contracts with State and local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions, programs and projects which—

(1) provide a national source for gathering and disseminating information on the effectiveness of programs designed to meet the special educational needs of educationally deprived children, and others served by this subtitle, and for assessing the needs of such individuals, including programs and projects formerly authorized by section 376 of the Elementary and Second-

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ary Education Act of 1965 and programs and projects formerly funded under the "National Diffusion Network" program;

(2) carry out research and demonstrations related to the purposes of this subtitle;

(3) are designed to improve the training of teachers and other instructional personnel needed to carry out the purposes of this subtitle; or

(4) are designed to assist State and local educational agencies in the implementation of programs under this subtitle.

(b) From the funds reserved for the purposes of this section, the Secretary shall first fund—

(1) the Inexpensive Book Distribution Program (as carried out through "Reading is Fundamental") as formerly authorized by part C of title II of the Elementary and Secondary Education Act of 1965,

(2) the programs of national significance in the "Arts in Education" Program as formerly authorized by part C of title III of such Act, and

(3) programs in alcohol and drug abuse education as formerly authorized by the Alcohol and Drug Abuse Education Act,

at least in amounts necessary to sustain the activities described in this sentence at the level of operations during fiscal year 1981, and then utilize the remainder of such funds for the other authorized activities described in subsection (a).

Subchapter E—General Provisions

MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY

SEC. 585. *(a)(1) Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this chapter for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the preceding fiscal year was not less than 90 per centum of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.*

(2) The Secretary shall reduce the amount of the allocation of funds under this chapter in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 per centum of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) The Secretary may waive, for one fiscal year only, the requirements of this subsection if he determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(b) A State or local educational agency may use and allocate funds received under this chapter only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this chapter, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

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(c) The Secretary is specifically authorized to issue regulations to enforce the provisions of this section.

PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

SEC. 586. (a)(1) To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this chapter or which serves the area in which a program or project assisted under this chapter is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds reserved for State use under section 565, such agency after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such service, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this chapter.

(2) If no program or project is carried out under subsection (a)(1) of this section in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in that district are provided with services and materials to the extent that would have occurred if the local educational agency had received funds under this chapter.

(3) The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this chapter by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

(b) Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this chapter for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this chapter are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

(c)(1) The control of funds provided under this chapter and title to materials, equipment, and property repaired, remodeled, or constructed therewith shall be in a public agency for the uses and pur-

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poses provided in this chapter, and a public agency shall administer such funds and property.

(2) The provision of services pursuant to this section shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this chapter shall not be commingled with State or local funds.

(d) If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(e)(1) If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, he may waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(2) Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount he estimated would be necessary to pay the cost of those services.

(f) Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

(g) When the Secretary arranges for services pursuant to this section, he shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this chapter.

(h)(1) The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for at least forty-five days after receiving written notice thereof, to submit written objections and to appear before the Secretary or his designee to show cause why that action should not be taken.

(2) If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1) of this subsection, it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based this action, as provided in section 2112 of title 28, United States Code.

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(3) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(i) Any bypass determination by the Secretary under titles II through VI and VIII and IX of the Elementary and Secondary Education Act of 1965 prior to the effective date of this chapter shall remain in effect to the extent consistent with the purposes of this chapter.

REPEALS

SEC. 587. (a) Effective October 1, 1982, the provisions of—

(1) titles II, III, IV, V, VI, VIII, and IX (except part C) of the Elementary and Secondary Education Act of 1965;

(2) part A and section 532 of title V of the Higher Education Act of 1965;

(3) the Alcohol and Drug Abuse Education Act; and

(4) the Career Education Incentive Act;

are repealed.

(b) Effective October 1, 1984, subchapter C of chapter 8 of subtitle A of title VI of this Act, relating to Follow-Through programs is repealed.